

VanBRUNT, JUZWIAK & RUSSO, P.C.

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June 5, 2015

JEFFREY M. JUZWIAK
Retired
RICHARD H. VanBRUNT
1927 - 2006

Ms. Lisa M.G. Mulligan, Director of Economic Development
Brookhaven Town Industrial Development Agency
c/o Brookhaven Town Economic Development Division
One Independence Hill
Farmingville, New York 11738

RE: IDA Application -Four Keys Realty, LLC
8.7 acres on Zorn Boulevard, Yaphank, New York
SCTM #0200-814.00-04.00-001.000 through 011.000

Dear Ms. Mulligan:

Our law firm represents Mr. Gary W. Oakland, Managing Member of Four Keys Realty, LLC, and President of United Fence and Guard Rail Corp., 25 Mill Road, Ronkonkoma, New York 11779. Four Keys Realty, LLC is the contract vendee of the above-referenced tax lots. Four Keys Realty, LLC hereby requests that the Brookhaven Town Industrial Development Agency consider its project for financial assistance in the form of exemptions from mortgage recording taxes in connection with the financing of the proposed facility, exemptions from sales taxes and use taxes in connection with the construction and equipping of the proposed facility and abatement of real property taxes consistent with the policies of the Agency in connection with the development of this property in Yaphank.

Four Keys Realty, LLC proposes to construct one (1) building of 25,000 square feet which will consist of 5,000 square feet of office space and 20,000 square feet of warehouse space with adjacent outside storage for materials and equipment. United Fence and Guard Rail Corp., supplier of guard rail materials, and Master-Halco, Inc., a companion fencing company business, both presently tenants at 25 Mill Road, Ronkonkoma, New York, will each lease 2,500 square feet of the office space and one-half of the warehouse space at the Yaphank location. Master-Halco, Inc. has been a tenant and companion business of United Fence and Guard Rail Corp. for the past 24 years. Master-Halco, Inc. has a one-year extension of its current lease with the Unified Credit Trust and has agreed to lease one-half of the office and warehouse space to be built at the Yaphank site.

United Fence and Guard Rail Corp. supplies and installs guard rails and materials to the New York State Department of Transportation, the County of Suffolk and various towns for road and bridge contracts located on Long Island. Master-Halco, Inc. is a wholesaler of bulk fencing to local fence companies and municipalities.

The move of these businesses has been precipitated by the fact that the present offices of United Fence and Guard Rail Corp. and Master-Halco, Inc. lie within the confines of the proposed Ronkonkoma Hub project and the surrounding area under a Contract of Sale between the Unified Credit Trust as created in and by the Last Will & Testament of Wallace G. Oakland, as Seller, and TREC RONK HUB, LLC, as Purchaser.

The proposed action encompasses eleven (11) tax lots on the north side of Horse Block Road (C.R. 16) and the eastern the corner of Zorn Boulevard, Yaphank, New York. The applicant seeks to construct the office and warehouse space on approximately 6.9 acres and further wishes to develop the corner 1.82 acre parcel for a bank with a drive-thru window or another industrial building.

This location is ideal for industrial use as the property lies approximately 1,150 feet south of Old Dock Road and the Sills Industrial Condominiums, also known as the former Brookhaven Town Empire Industrial Zone. The proposed project will retain the character of the neighborhood and nearby properties. The proposed project and its design will not create an environmental or physical detriment to the neighborhood.

It is our understanding that the current Brookhaven Town Planning Division seeks to fast-track this project as an incentive to move forward the Ronkonkoma Hub project.

Mr. Gary W. Oakland, Managing Member of Four Keys Realty, LLC, and President of United Fence and Guard Rail Corp., is fully familiar with the management of commercial properties. United Fence and Guard Rail Corp. presently employs a minimum of 65 construction jobs. Upon project completion, the applicant anticipates hiring 10 additional new employees to manage and run the fence and guard rail business. Master-Halco, Inc. currently has 10 employees and hopes to hire three (3) to five (5) additional employees once this project has been completed.

Thus, in summary, Four Keys Realty, LLC hereby requests that the Brookhaven Town Industrial Development Agency consider its project for the standard benefits package of real estate sales taxes, mortgage recording taxes and real property taxes in connection with the development of its property in Yaphank. We appreciate your review and consideration of this application.

If you should have any further questions regarding same, please do not hesitate to contact our office. Thank you.

Very truly yours,
VanBrunt, Juzwiak & Russo, P.C.


Eric J. Russo

/rb
cc: Mr. Gary Oakland

**TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR FINANCIAL ASSISTANCE**

DATE: 6/5/15

APPLICATION OF: Four Keys Realty, LLC
Company Name / Ownership of Proposed Project

ADDRESS: 25 Mill Road
Ronkonkoma, New York 11779

Type of Application: Tax-Exempt Bond Taxable Bond Lease
 Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in ten copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$2,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution, but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency's staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local labor and the payment of the area standard wage during construction on the project.

Please write or call:
Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development

One Independence Hill
Farmingville, New York 11738

(631) 451-6563

I. Company Data

A. COMPANY (APPLICANT FOR ASSISTANCE)

Company Name: Four Keys Realty, LLC
Address: 25 Mill Road
Ronkonkoma, New York 11779
Contact: Gary W. Oakland Title: Managing Member
Phone Number: (516)523-1651 E-mail: goakland@ufgr.com
Federal Employer ID # [REDACTED] N. American Industry Classification System (NAICS): 237310

*United Fence & Guard Rail
237310*

B. BUSINESS TYPE:

Sole Proprietorship Partnership Privately Held
Public Corporation Listed on _____ Exchange
State of Incorporation New York

C. ANY RELATED COMPANY PROPOSED TO BE A USER OF THE FACILITY:

NAME	RELATIONSHIP
<u>United Fence and Guard Rail Corp.</u>	<u>Tenant</u>
<u>Master-Halco, Inc.</u>	<u>Tenant</u>

D. COMPANY COUNSEL:

BOND COUNSEL

Firm Name: VanBrunt, Juzwiak & Russo, P.C.
Address: 140 Main Street
Sayville, New York 11782
Individual Attorney: Eric J. Russo, Esq. Phone: (631)589-5000

E. PRINCIPAL STOCKHOLDERS OR PARTNERS, IF ANY (5% OR MORE EQUITY)

NAME	PERCENT OWNED
<u>Gary W. Oakland - 10%</u>	<u>Andrea J. Oakland - 10%</u>
<u>Alexandra J. Oakland - 20%</u>	<u>Isabelle S. Oakland - 20%</u>
<u>Elizabeth M. Oakland - 20%</u>	<u>Andrew G. Oakland - 20%</u>

F. Has the company ever filed for bankruptcy?

No

G. Have any of the owners / top executives ever been convicted of a felony?

No

If yes, please explain:

H. Has the company ever been convicted of a felony?

No

If yes, please explain:

I. If any of the above persons (see "G" above), or a group of them, owns more than 50% interest in the company, list all other organizations which are related to the company by virtue of such persons having more than a 50% interest in such organizations.

N/A

J. Is the company related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

K. List parent corporation, sister corporations and subsidiaries:

N/A

- L. Has the company (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

No

- M. Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? If so, please provide offering statement used.

No

- N. List major bank references of the company:

The First National Bank of Long Island, Bohemia, New York 11716

O. OPERATION AT CURRENT LOCATION:

1. Employment: Total 75 2. Payroll _____
3. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:
supplies and installs guard rails and materials for road and bridge contracts; wholesaler of bulk fencing and supplies
4. Size of existing facility acreage: 8.6 acres
5. Number of buildings and square feet: one building; approximately 16,000 sq. ft.

II. PROPOSED PROJECT DATA

- A. Location of project: (include as an attachment a map showing the location)

Address: Zorn Boulevard, Yaphank, New York

Suffolk County Tax Map: District 0200 Section 814 Block 4 Lot 1-11

- B. Project Site: (Include as an attachment copies of survey, preliminary site plan, architectural rendering of the facility)

A/V
 Lot 1 = ~~1065~~ 1065
 2 = 565
 3 = 560
 4 = 560
 5 = 560
 6 = 560
 7 = 550
 8 = 550
 9 = 550
 10 = 560

11 = 550
 total = 6620

If acquiring land, please note that Federal law prohibits the use of 25% or more of tax-exempt IDB proceeds for the purchase of land. If acquiring existing buildings, please note that Federal law prohibits the acquisition of existing buildings with tax-exempt IDB proceeds unless the rehabilitation expenses of the building are equal to or greater than 15% of the portion of the cost of acquiring the building that is financed with tax-exempt IDB proceeds. Rehabilitation does not include any amount expended on new construction (additions or expansions).

1. Acreage: 8.7 acres

2. Buildings:

A) Existing number and square feet of each building:

N/A

B) Does the project consist of additions and/or renovations to existing buildings? If yes, indicate the nature of expansion or renovation:

N/A

C) New Construction – number and square feet of each building:

25,000 sq. ft

D) Builder or contractor and address: To be determined.

E) Architect name and address: Gary J. Bruno . Architect, P.C.

1225 Locust Avenue, Bohemia, NY 11716

3. Indicate present use of site: vacant

4. Indicate relationship of applicant to present user of site:

Contract Vendee

C. Proposed project ownership (company or realty partnership):

Four Keys Realty, LLC

D. What will the building or buildings to be acquired, constructed or expanded be used for by the company? (Include a description of products to be manufactured, assembled, or processed, and services to be rendered):

N/A

E. If any space in the project is to be leased to third parties, indicate the total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

United Fence and Guard Rail Corp. - 50%

Master-Halco, Inc. - 50%

F. List principal items or categories of equipment to be acquired as part of this project:

construction materials

G. Has construction work on this project begun? If yes, complete the following:

(a.) SITE CLEARANCE:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	% COMPLETE
(b.) FOUNDATION:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	% COMPLETE
(c.) FOOTINGS:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	% COMPLETE
(d.) STEEL:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	% COMPLETE
(e.) MASONRY:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	% COMPLETE
(f.) OTHER:					

H. Existing facilities within New York State:

1) Are there other facilities owned, leased, or used by the company (or a related company or person) within the state? If so, describe whether owned, leased, or other terms of use:

N/A

2) If there are other facilities within the state, is it expected that any of these facilities will close or be subject to reduced activity?

YES NO

3) If you answered yes to question 2, above, please indicate whether the project is reasonably necessary for the company to maintain its competitive position in the industry. Please explain in detail:

N/A

4) Has the company thought about moving to another state? If so, please explain:

No

5) Will the project meet zoning requirements at the proposed location?

YES NO

6) If a change of zoning is required, please provide the details/status of the change of zone request.

I. Does the company, or any related corporation or person, have a lease on the project site?

YES NO

J. Does the company now own the project site?

YES NO

1. If yes, indicate:

A) Date of purchase: _____

B) Purchase price: _____

C) Balance of existing mortgage: _____

D) Holder of mortgage: _____

E) Special conditions: _____

2. If no, indicate:

A) Present owner of site: Wine Services, Inc. & Zorn & Sons, LLC

B) Does the company or any related person or corporation have an option or a contract to purchase the site and/or any buildings on the site?

YES NO

If yes, indicate:

1) Date signed: March 17, 2015

2) Purchase price: \$2,185,000.00

3) Settlement date: on or about August 1, 2015

4) Please attach a copy of option or contract.

K. Is there a relationship legally or by virtue of common control or ownership between the company (and/or its stockholders) and the seller of the project (and/or its shareholders)?
If yes, please describe this relationship:

No

L. How much equity do you have in this project?

Down payment - \$100,000.00

III. PROJECT COSTS

A. Give an accurate estimate of cost of all items:

	AMOUNT
LAND	\$ <u>2,185,000.00</u>
BUILDING	\$ <u>2,000,000.00</u>
SITE WORK	\$ <u>500,000.00</u>
LEGAL FEES	\$ <u>250,000.00</u>
ENGINEERING FEES	\$ <u>300,000.00</u>

FINANCIAL CHARGES	\$ _____
EQUIPMENT	\$ 100,000.00
RECORDING FEES	\$ _____
OTHER (SPECIFY)	\$ _____
TOTAL	\$ 5,335,000.00

B. METHOD OF FINANCING COSTS	Amount	Term
1. Tax-exempt IDB financing:	\$ N/A	_____ years
2. Taxable IDB financing:	\$ N/A	_____ years
3. SBA (504) or other governmental financing:	\$ N/A	_____ years
4. Other loans:	\$ 4,735,000.00	15 years
5. Company's equity contribution:	\$ 600,000.00	
Total Project Costs	\$ 5,335,000.00	

C. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application?

YES NO If yes, give particulars on a separate sheet.

D. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

N/A

E. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

N/A

F. What portion, if any, of the cost of the project is to be financed from funds of the company (other than from the proposed bond issue)? Give details:

Approximately \$600,000 of equity will be in the project.

G. Has the company made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

N/A

IV. MEASURE OF GROWTH AND BENEFITS

A. If the company presently operates in the Town of Brookhaven, give current employment and payroll. Also give reasonable estimates of employment and payroll directly attributable to the facility to be built in the Town of Brookhaven.

*United
Fence &
Guardrail
#S only*

CURRENT EMPLOYMENT FIGURES	UNDER \$30,000	\$30,000 - \$50,000	\$50,000 - \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning:	4	8	12	13
Number of Part-Time Employees (FTE) earning:	1	0	0	0

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES	37	\$	3,781,932
TOTAL PAYROLL FOR PART-TIME EMPLOYEES	1	\$	8,670
TOTAL PAYROLL FOR ALL EMPLOYEES	38	\$	3,790,602

\$99,753

PROJECTED EMPLOYMENT FIGURES - YEAR ONE	UNDER \$30,000	\$30,000 - \$50,000	\$50,000 - \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning:	5	9	13	14
Number of Part-Time Employees (FTE) earning:	1			

\$94,762

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES	41	\$	3,970,000
TOTAL PAYROLL FOR PART-TIME EMPLOYEES	1	\$	10,000
TOTAL PAYROLL FOR ALL EMPLOYEES	42	\$	3,980,000

PROJECTED EMPLOYMENT FIGURES - YEAR TWO	UNDER \$30,000	\$30,000 - \$50,000	\$50,000 - \$75,000	OVER \$75,000
Number of Full-Time Employees (FTE) earning:	6	10	14	15
Number of Part-Time Employees (FTE) earning:	1			

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES	45	\$	4,190,000
TOTAL PAYROLL FOR PART-TIME EMPLOYEES	2	\$	10,000
TOTAL PAYROLL FOR ALL EMPLOYEES	47	\$	4,200,000

\$89,362

The Board reserves the right to visit the facility to confirm that job creation numbers are being met.

V. PROJECT CONSTRUCTION SCHEDULE

A. What is the proposed date for commencement of construction or acquisition of the project?

Acquisition: on or about August 1, 2015;

Construction commencement upon completion of site plan approval and issuance of building permit: March 30, 2016

give the lessee notice of said default. If the payment is not received within sixty (60) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.

7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.
9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

CERTIFICATION

Gary W. Oakland (name of Chief Executive Officer of company submitting application) deposes and says that he or she is the Managing Member (title) of Four Keys Realty, LLC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; that the same is true to his or her knowledge.

Deponent further says that the reason this verification is being made by the Deponent and not by (company name) is because the said company is a corporation. The grounds of Deponent's belief relative to all matters in the said application which are not stated upon his or her own personal knowledge, are investigations which Deponent has caused to be made concerning the subject matter of this application as well as information acquired by Deponent in the course of his or her duties as an officer of and from books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "Applicant"), Deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the Applicant in connection with this application and all matters relating to the issuance of bonds. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act 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 total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue, the Applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1% of the total project cost financed by the bond issue, which amount is payable at closing. The Agency's bond counsel's fees and the administrative fee may be considered as a cost of the project and included as part of any resultant bond issue.

Deponent further certifies that he or she has read the Payment in Lieu of Tax (PILOT) Policy of the Town of Brookhaven Industrial Development Agency and will agree to the terms thereof.

Gary W. Oakland
Chief Executive Officer of Company
Gary W. Oakland

Sworn to me before this 5th
Day of June, 20 15
Debra L. Santoianni
(seal)

Debra L. Santoianni, Notary Public
State of New York, No. 46230860
Qualified in Suffolk County
Commission Expires 4.30.2018

**ADDENDUM TO
APPLICATION FOR FINANCIAL ASSISTANCE, DATED JUNE 5, 2015,**

OF

FOUR KEYS REALTY, LLC
And
UNITED FENCE AND GUARD RAIL CORP.
(collectively, "Applicant")

July 21, 2016

Representations, Certifications and Indemnification

As an inducement to the Town of Brookhaven Industrial Development Agency ("Agency") to act upon the Applicant's application to the Agency, the Applicant represents and warrants to the Agency:

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes No

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? (If yes, furnish details on a separate sheet)

Yes No

3. Is there a likelihood that the Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

Yes No

If we do not receive the IDA benefits, the costs of the project become challenged as to its site development and construction.

4. If the Applicant is unable to obtain financing for the project, what would be the impact on the Applicant and on the municipality?

The applicant would need increased commercial financing, if available; The project may be delayed and the property possibly may be re-sold. Brookhaven Town would then be left with vacant industrial land for another possible land development use.

5. 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.

Initial M.O.

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, 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 and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies

Initial M.O.

7. 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.

Initial M.O.

8. 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.

Initial M.O.

9. 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.

Initial M.O.

10. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which 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 within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Initial MO.

11. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial MO.

12. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project.

Initial MO.

13. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial MO.

14. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

15. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial GO

FOUR KEYS REALTY LLC

By: Gary W. Oakland
Member, Gary W. Oakland

UNITED FENCE AND GUARD RAIL CORP.

BY: Gary W. Oakland
President, Gary W. Oakland

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule, together with the estimates of net exemptions based on estimated tax rates and assessment values to this Exhibit.

SCHEDULE A

Town of Brookhaven Industrial Development Schedule of Fees

Application -	\$2,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over
Closing/Expansion Sale/Transfer -	$\frac{3}{4}$ of one percent up to \$10 million total project cost and an additional $\frac{1}{8}$ of a percent on any project costs in excess of \$10 million. Projects will incur a minimum charge of \$7,500 plus all publication and legal fees.
Annual Administrative -	\$1,000 administrative fee payable with PILOT.
Termination –	Between \$750 and \$2,000
Refinance –	$\frac{1}{10}^{\text{th}}$ of one percent of transaction price (project cost) or \$2,500, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest monthly, plus \$1,000 administrative fee.
Processing Fee -	\$250 per hour with a minimum fee of \$250

Notes: All fees are subject to adjustment by IDA Board members and/or staff on a case-by-case basis.

Failure to abide by the terms and conditions of the PILOT and lease agreement including, but not limited to, rental of space will result in a reduction in abatement with the potential for termination.

Updated: June 15, 2016

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “Act”), the Town of Brookhaven Industrial Development Agency (the “Agency”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “Applicant”) or any other document entered into by such parties in connection with a project (the “Project Documents”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “Financial Assistance” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$1,000 will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant, or be utilized to obtain a partial or full real property tax abatement for a determined period which can be as long as ten years. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st of any year or May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738**

DATE: 9/11/19

APPLICATION OF: Wallace Oakland Unified Credit Trust - Contract Vendee
Name of Owner and/or User of Proposed Project

ADDRESS: 19 Zorn Boulevard
Yaphank, New York 11980

Type of Application: Tax-Exempt Bond Taxable Bond
 Straight Lease Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$2,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution, but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency's staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local labor and the payment of the area standard wage during construction on the project.

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PART VIII	SUBMISSION OF MATERIALS
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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Wallace Oakland Unified Credit Trust-Contract Vendee

Address: 19 Zorn Boulevard
Yaphank, New York 11780

Federal Employer ID # [REDACTED] Website: n/a

NAICS Code: [REDACTED]

Owner Officer Certifying Application: Gary W. Oakland

Title of Officer: Co-Trustee

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Trust

D. Owner Counsel:

Firm Name: VanBrunt, Juzwiak & Russo, P.C.

Address: 140 Main Street
Sayville, New York 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000 E-mail: eric@vbjr.com

E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

Name	Percent Owned
Gary W. Oakland, Co-Trustee	50%
Christine J. Hill, Co-Trustee	50%

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

N/A

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

The current owner, Four Keys Realty, LLC, is receiving IDA benefits and is in contract of sale with Applicant.

K. List major bank references of the Owner:

Morgan Stanley

2. User Data

**** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ****

A. User (together with the Owner, the "Applicant"): Four Keys Realty, LLC

Address: 19 Zorn Blvd.
Yaphank, NY

Federal Employer ID #: [REDACTED] Website: n/a

NAICS Code: [REDACTED]

User Officer Certifying Application: Gary W. Oakland

Title of Officer: Managing Member

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Real estate holding

D. Are the User and the Owner Related Entities? Yes No

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: VanBrunt, Juzwiak & Russo, PC

Address: 140 Main Street

Sayville, NY 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000

E-mail: eric@vbjr.com

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
<u>Gary W. Oakland, Managing Member</u>	<u>50%</u>
<u>Andrea J. Oakland, Managing Member</u>	<u>50%</u>
<u> </u>	<u> </u>

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

H. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

N/A

I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

J. List parent corporation, sister corporations and subsidiaries:

N/A

K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

No

L. List major bank references of the User:

Chase

Part II – Operation at Current Location

**** (if the Owner and the User are unrelated entities, answer separately for each) ****

1. Current Location Address: 19 Zorn Boulevard, Yaphank, New York

2. Owned or Leased: contract vendee

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

one-story industrial building, 130.3' x 250' irregular shape, for office and warehouse with outdoor storage, on 8.6 acres

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

Supplies and installs guard rails and materials for road and bridge contracts; wholesaler of bulk fencing and supplies

5. Are other facilities or related companies of the Applicant located within the State?
Yes No

A. If yes, list the Address: _____

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes No

A. If no, explain how current facilities will be utilized: Office and storage
of guard rail materials and fencing supplies for distribution.

- B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

n/a

7. Has the Applicant actively considered sites in another state? Yes No

A. If yes, please list states considered and explain: _____

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes No

A. Please explain: _____

9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

The number of employees on the application of Four Keys Realty, dated 6/5/15, and will remain with

continued growth as a result of subtenancies with United Fence and Guard Rail Corp & Master-Halco Inc.

Part III – Project Data

1. Project Type:

A. What type of transaction are you seeking?: (Check one)

Straight Lease Taxable Bonds Tax-Exempt Bonds
Equipment Lease Only

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption Mortgage Recording Tax Exemption
PILOT Agreement:

2. Location of project:

A. Street Address: 19 Zorn Boulevard, Yaphank, New York

B. Tax Map: District 0200 Section 814 Block 4 Lot(s) 1-11

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: Yaphank
iii. School District: South Country

D. Acreage: 8.6

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No
i. Square footage: _____

B. Renovations of an existing building Yes No
i. Square footage: _____

C. Demolition of an existing building Yes No
i. Square footage: _____

D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: _____

E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____

F. Acquisition of an existing building Yes No
i. Square footage of existing building: 32,500

G. Installation of machinery and/or equipment Yes No
i. List principal items or categories of equipment to be acquired: _____

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site: Four Keys Realty, LLC

B. Present use of the proposed location: Office and warehouse to supply guard rails and materials; bulk fencing and supplies.

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) Yes No

i. If yes, explain: IDA Company Lease dated 9/1/16

D. Is there a purchase contract for the site? (if yes, explain): Yes No

Four Keys Realty, LLC in contract to sell to Applicant

E. Is there an existing or proposed lease for the site? (if yes, explain): Yes No

Applicant will lease to Four Keys Realty, LLC and Four Keys Realty, LLC to continue leases with United Fence and Guard Rail Corp & Master-Halco, Inc

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Supplies and installs guard rails and materials for road and bridge contracts; wholesaler of bulk fencing and supplies

B. Proposed product lines and market demands: guard rails, fencing

C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

Applicant to lease 100% of site to Four Keys Realty, LLC. Four Keys Realty, LLC will sublease to United Fence and Guard Rail Corp (50%)

& Master-Halco, Inc. (50%) to continue their current leases. Tenants supply, install and warehouse guard rails and fencing.

D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

Continuation of current PILOT and mortgage tax benefits.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
ii. Foundation:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
iii. Footings:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
iv. Steel:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
v. Masonry:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
vi. Other:	_____			

B. What is the current zoning?: L-1

C. Will the project meet zoning requirements at the proposed location?

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes No

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: 4th Quarter 2019

ii. Construction/Renovation/Equipping: n/a

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: Project is complete and in use.

Part IV – Project Costs and Financing

1. Project Costs:

A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>6,538,000.00</u>
Building(s) demolition/construction	\$ <u>0.00</u>
Building renovation	\$ <u>0.00</u>
Site Work	\$ <u>0.00</u>
Machinery and Equipment	\$ <u>0.00</u>
Legal Fees	\$ <u>0.00</u>
Architectural/Engineering Fees	\$ <u>0.00</u>
Financial Charges	\$ <u>0.00</u>
Other (Specify)	\$ <u>0.00</u>
Total	\$ <u>6,538,000.00</u>

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ 0.00	_____ years
B. Taxable bond financing:	\$ 0.00	_____ years
C. Conventional Mortgage:	\$ 0.00	_____ years
D. SBA (504) or other governmental financing:	\$ 0.00	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans: purchase money mortgage	\$ 1,382,000.00	_____ years
G. Owner/User equity contribution:	\$ 5,156,000.00	_____ years
Total Project Costs	\$ 6,538,000.00	

i. What percentage of the project costs will be financed from public sector sources?

none _____

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes No

i. If yes, provide detail on a separate sheet.

B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

no _____

C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

no _____

D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

no _____

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 1,382,000

B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 10,365

2. **Sales and Use Tax Benefit:**

A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ N/A

B. Estimated State and local Sales and Use Tax exemption (product of 8.625% and figure above):

\$ N/A

C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ N/A

ii. User: \$ N/A

3. **Real Property Tax Benefit:**

A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: no

B. Agency PILOT Benefit:

i. Term of PILOT requested: continuation of current PILOT

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

***** This application will not be deemed complete and final until Exhibit A hereto has been completed. *****

Part VI – Employment Data

1. List the Applicant’s and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* (“LMA”) that would fill the full-time and part-time jobs at the end of year second year following completion:

Present number of employees: 22 *See below

First Year:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time												30	30
Part-time												1	1

Second Year:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time												32	32
Part-time												1	1

Residents of LMA:

Full-Time: 30
Part-Time: 1

*This is job creation from the application of Four Keys Realty, LLC, dated 6/5/15, as a result of subtenancies with United Fence and Guard Rail Corp. and Master-Halco, Inc.

* The Labor Market Area includes the County/City/Town/Village in which the project is located as well as Nassau and Suffolk Counties.

** Agency staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. **Salary and Fringe Benefits:**

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners	\$1,090.00	\$211.00
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	\$2,170.00	\$1,892.00
1099 and Contract Workers	\$2,152.00	-----

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes No

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? (If yes, furnish details on a separate sheet)

Yes No

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes No

Without the continuation of the PILOT, it would not be cost effective
for the company to remain at this site.

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

Applicant would not be able to continue the operation
at this site.

5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, 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 and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial

6. 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 in the Project as well as may lead to other possible enforcement actions.

Initial CJK YO

7. 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.

Initial CJK YO

8. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial CJK YO

9. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial CJK YO

10. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial CJK YO

11. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial CAH MD

12. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial CAH MD

13. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial CAH MD

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. 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. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. (Please sign only one of the following statements a. or b. below).

a. The completion of the entire project will not 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.

Representative of the Applicant: Christine J. Keel May O'Neil

b. The completion of this entire project will 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 because 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.

Representative of the Applicant: _____

2. 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.

Representative of the Applicant: Christine J. Keel May O'Neil

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which 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 within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Representative of the Applicant: Christine J. Keel May O'Neil

4. 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.

Representative of the Applicant: Christine J. Keel May O'Neil

Part X – Certification

Gary W. Oakland and Christine J. Hill (name of representative of entities submitting application) deposes and says that he or she is the Co-Trustees (title) of Wallace Oakland United Credit Trust, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the [Brookhaven Town] Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act 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 total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge

Gary W. Oakland

Representative of Applicant
Gary W. Oakland
Sworn to me before this 11th
Day of September, 20 19
Debra L. Santoianni

(seal)

Debra L. Santoianni
Notary Public, State of New York
No. 01SA4636861
Qualified in Suffolk County
Commission Expires 04/30/2022

Christine J. Hill

Representative of Applicant
Christine J. Hill
Sworn to me before this 11th
Day of September, 2019
Debra L. Santoianni

Debra L. Santoianni
Notary Public, State of New York
No. 01SA4636861
Qualified in Suffolk County
Commission Expires 04/30/2022

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX and X of this Application must be completed by an individual representative for each entity ****

EXHIBIT A

PROPOSED PILOT BENEFITS ARE FOR DISCUSSION PURPOSES ONLY
AND HAVE NOT APPROVED BY THE AGENCY BOARD.

November 20, 2019

<u>Tax Year</u>	<u>Total PILOT Payments</u>
2017/2018	\$19,490.00
2018/2019	\$19,880.00
2019/2020	\$20,280.00
2020/2021	\$20,680.00
2021/2022	\$21,100.00
2022/2023	\$21,520.00
2023/2024	\$21,950.00
2024/2025	\$22,390.00
2025/2026	\$22,840.00
2026/2027	\$23,290.00

SCHEDULE A

Town of Brookhaven Industrial Development Schedule of Fees

Application -	\$2,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over
Closing/Expansion Sale/Transfer -	¾ of one percent up to \$10 million total project cost and an additional 1/8 of a percent on any project costs in excess of \$10 million. Projects will incur a minimum charge of \$7,500 plus all publication and legal fees.
Annual Administrative -	\$1,000 administrative fee payable with PILOT.
Termination –	Between \$750 and \$2,000
Refinance –	1/10 th of one percent of transaction price (project cost) or \$2,500, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest monthly, plus \$1,000 administrative fee.
Processing Fee -	\$250 per hour with a minimum fee of \$250

Notes: All fees are subject to adjustment by IDA Board members and/or staff on a case-by-case basis.

Failure to abide by the terms and conditions of the PILOT and lease agreement including, but not limited to, rental of space will result in a reduction in abatement with the potential for termination.

Updated: June 15, 2016

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “Act”), the Town of Brookhaven Industrial Development Agency (the “Agency”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “Applicant”) or any other document entered into by such parties in connection with a project (the “Project Documents”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “Financial Assistance” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$1,000 will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant, or be utilized to obtain a partial or full real property tax abatement for a determined period which can be as long as ten years. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st of any year or May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738**

DATE: 9/11/19

APPLICATION OF: Wallace Oakland Unified Credit Trust - Contract Vendee
Name of Owner and/or User of Proposed Project

ADDRESS: 19 Zorn Boulevard
Yaphank, New York 11980

Type of Application: Tax-Exempt Bond Taxable Bond
 Straight Lease Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$2,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution, but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency's staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local labor and the payment of the area standard wage during construction on the project.

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PART VII	REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION
PART VIII	SUBMISSION OF MATERIALS
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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Wallace Oakland Unified Credit Trust-Contract Vendee

Address: 19 Zorn Boulevard
Yaphank, New York 11780

Federal Employer ID # [REDACTED] Website: n/a

NAICS Code: [REDACTED]

Owner Officer Certifying Application: Gary W. Oakland

Title of Officer: Co-Trustee

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Trust

D. Owner Counsel:

Firm Name: VanBrunt, Juzwiak & Russo, P.C.

Address: 140 Main Street
Sayville, New York 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000 E-mail: eric@vbjr.com

E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

Name	Percent Owned
Gary W. Oakland, Co-Trustee	50%
Christine J. Hill, Co-Trustee	50%

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

N/A

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

The current owner, Four Keys Realty, LLC, is receiving IDA benefits and is in contract of sale with Applicant.

K. List major bank references of the Owner:

Morgan Stanley

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

A. User (together with the Owner, the "Applicant"): Four Keys Realty, LLC

Address: 19 Zorn Blvd.

Yaphank, NY

Federal Employer ID #: [REDACTED] Website: n/a

NAICS Code: [REDACTED]

User Officer Certifying Application: Gary W. Oakland

Title of Officer: Managing Member

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Real estate holding

D. Are the User and the Owner Related Entities? Yes No

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: VanBrunt, Juzwiak & Russo, PC

Address: 140 Main Street

Sayville, NY 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000

E-mail: eric@vbjr.com

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
<u>Gary W. Oakland, Managing Member</u>	<u>50%</u>
<u>Andrea J. Oakland, Managing Member</u>	<u>50%</u>
<u> </u>	<u> </u>

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

H. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

N/A

I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

J. List parent corporation, sister corporations and subsidiaries:

N/A

K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

No

L. List major bank references of the User:

Chase

Part II – Operation at Current Location

**** (if the Owner and the User are unrelated entities, answer separately for each) ****

1. Current Location Address: 19 Zorn Boulevard, Yaphank, New York

2. Owned or Leased: contract vendee

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

one-story industrial building, 130.3' x 250' irregular shape, for office and warehouse with outdoor storage, on 8.6 acres

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

Supplies and installs guard rails and materials for road and bridge contracts; wholesaler of bulk fencing and supplies

5. Are other facilities or related companies of the Applicant located within the State?
Yes No

A. If yes, list the Address: _____

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes No

A. If no, explain how current facilities will be utilized: Office and storage
of guard rail materials and fencing supplies for distribution.

- B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

n/a

7. Has the Applicant actively considered sites in another state? Yes No

A. If yes, please list states considered and explain: _____

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes No

A. Please explain: _____

9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

The number of employees on the application of Four Keys Realty, dated 6/5/15, and will remain with
continued growth as a result of subtenancies with United Fence and Guard Rail Corp & Master-Halco Inc.

Part III – Project Data

1. Project Type:

A. What type of transaction are you seeking?: (Check one)

- Straight Lease Taxable Bonds Tax-Exempt Bonds
Equipment Lease Only

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

- Sales Tax Exemption Mortgage Recording Tax Exemption
PILOT Agreement:

2. Location of project:

A. Street Address: 19 Zorn Boulevard, Yaphank, New York

B. Tax Map: District 0200 Section 814 Block 4 Lot(s) 1-11

C. Municipal Jurisdiction:

- i. Town: Brookhaven
ii. Village: Yaphank
iii. School District: South Country

D. Acreage: 8.6

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No
i. Square footage: _____

B. Renovations of an existing building Yes No
i. Square footage: _____

C. Demolition of an existing building Yes No
i. Square footage: _____

D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: _____

E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____

- F. Acquisition of an existing building Yes No
 i. Square footage of existing building: 32,500
- G. Installation of machinery and/or equipment Yes No
 i. List principal items or categories of equipment to be acquired: _____

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location?
 i. If no, please list the present owner of the site: Four Keys Realty, LLC
- B. Present use of the proposed location: Office and warehouse to supply guard rails and materials; bulk fencing and supplies.
- C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) Yes No
 i. If yes, explain: IDA Company Lease dated 9/1/16
- D. Is there a purchase contract for the site? (if yes, explain): Yes No
Four Keys Realty, LLC in contract to sell to Applicant
- E. Is there an existing or proposed lease for the site? (if yes, explain): Yes No

Applicant will lease to Four Keys Realty, LLC and Four Keys Realty, LLC to continue leases with United Fence and Guard Rail Corp & Master-Halco, Inc

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Supplies and installs guard rails and materials for road and bridge contracts; wholesaler of bulk fencing and supplies
- B. Proposed product lines and market demands: guard rails, fencing

C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

Applicant to lease 100% of site to Four Keys Realty, LLC. Four Keys Realty, LLC will sublease to United Fence and Guard Rail Corp (50%)

& Master-Halco, Inc. (50%) to continue their current leases. Tenants supply, install and warehouse guard rails and fencing.

D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

Continuation of current PILOT and mortgage tax benefits.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
ii. Foundation:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
iii. Footings:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
iv. Steel:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
v. Masonry:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100
vi. Other:	_____			

B. What is the current zoning?: L-1

C. Will the project meet zoning requirements at the proposed location?

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes No

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: 4th Quarter 2019

ii. Construction/Renovation/Equipping: n/a

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: Project is complete and in use.

Part IV – Project Costs and Financing

1. Project Costs:

A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>6,538,000.00</u>
Building(s) demolition/construction	\$ <u>0.00</u>
Building renovation	\$ <u>0.00</u>
Site Work	\$ <u>0.00</u>
Machinery and Equipment	\$ <u>0.00</u>
Legal Fees	\$ <u>0.00</u>
Architectural/Engineering Fees	\$ <u>0.00</u>
Financial Charges	\$ <u>0.00</u>
Other (Specify)	\$ <u>0.00</u>
Total	\$ <u>6,538,000.00</u>

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ 0.00	_____ years
B. Taxable bond financing:	\$ 0.00	_____ years
C. Conventional Mortgage:	\$ 0.00	_____ years
D. SBA (504) or other governmental financing:	\$ 0.00	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans: purchase money mortgage	\$ 1,382,000.00	_____ years
G. Owner/User equity contribution:	\$ 5,156,000.00	_____ years
Total Project Costs	\$ 6,538,000.00	

i. What percentage of the project costs will be financed from public sector sources?

none _____

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes No

i. If yes, provide detail on a separate sheet.

B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

no _____

C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

no _____

D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

no _____

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 1,382,000

B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 10,365

2. **Sales and Use Tax Benefit:**

A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ N/A

B. Estimated State and local Sales and Use Tax exemption (product of 8.625% and figure above):

\$ N/A

C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ N/A

ii. User: \$ N/A

3. **Real Property Tax Benefit:**

A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: no

B. Agency PILOT Benefit:

i. Term of PILOT requested: continuation of current PILOT

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

***** This application will not be deemed complete and final until Exhibit A hereto has been completed. *****

Part VI – Employment Data

1. List the Applicant’s and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* (“LMA”) that would fill the full-time and part-time jobs at the end of year second year following completion:

Present number of employees: 22 *See below

First Year:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time												30	30
Part-time												1	1

Second Year:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time												32	32
Part-time												1	1

Residents of LMA:

Full-Time: 30
Part-Time: 1

*This is job creation from the application of Four Keys Realty, LLC, dated 6/5/15, as a result of subtenancies with United Fence and Guard Rail Corp. and Master-Halco, Inc.

* The Labor Market Area includes the County/City/Town/Village in which the project is located as well as Nassau and Suffolk Counties.

** Agency staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. Salary and Fringe Benefits:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners	\$1,090.00	\$211.00
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	\$2,170.00	\$1,892.00
1099 and Contract Workers	\$2,152.00	-----

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes No

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? (If yes, furnish details on a separate sheet)

Yes No

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes No

Without the continuation of the PILOT, it would not be cost effective
for the company to remain at this site.

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

Applicant would not be able to continue the operation
at this site.

5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, 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 and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial

6. 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 in the Project as well as may lead to other possible enforcement actions.

Initial CJK YO

7. 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.

Initial CJK YO

8. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial CJK YO

9. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial CJK YO

10. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial CJK YO

11. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial CAH MD

12. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial CAH MD

13. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial CAH MD

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. 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. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. (Please sign only one of the following statements a. or b. below).

a. The completion of the entire project will not 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.

Representative of the Applicant: Christine J. Keel May O'Neil

b. The completion of this entire project will 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 because 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.

Representative of the Applicant: _____

2. 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.

Representative of the Applicant: Christine J. Keel May O'Neil

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which 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 within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Representative of the Applicant: Christine J. Keel May O'Neil

4. 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.

Representative of the Applicant: Christine J. Keel May O'Neil

Part X – Certification

Gary W. Oakland and Christine J. Hill (name of representative of entities submitting application) deposes and says that he or she is the Co-Trustees (title) of Wallace Oakland United Credit Trust, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the [Brookhaven Town] Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act 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 total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge

Gary W. Oakland
Representative of Applicant
Gary W. Oakland
Sworn to me before this 11th
Day of September, 20 19
Debra L. Santoianni
(seal)

Debra L. Santoianni
Notary Public, State of New York
No. 01SA4636861
Qualified in Suffolk County
Commission Expires 04/30/2022

Christine J. Hill
Representative of Applicant
Christine J. Hill
Sworn to me before this 11th
Day of September, 2019
Debra L. Santoianni

Debra L. Santoianni
Notary Public, State of New York
No. 01SA4636861
Qualified in Suffolk County
Commission Expires 04/30/2022

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX and X of this Application must be completed by an individual representative for each entity ****

EXHIBIT A

PROPOSED PILOT BENEFITS ARE FOR DISCUSSION PURPOSES ONLY
AND HAVE NOT APPROVED BY THE AGENCY BOARD.

November 20, 2019

<u>Tax Year</u>	<u>Total PILOT Payments</u>
2017/2018	\$19,490.00
2018/2019	\$19,880.00
2019/2020	\$20,280.00
2020/2021	\$20,680.00
2021/2022	\$21,100.00
2022/2023	\$21,520.00
2023/2024	\$21,950.00
2024/2025	\$22,390.00
2025/2026	\$22,840.00
2026/2027	\$23,290.00

SCHEDULE A

Town of Brookhaven Industrial Development Schedule of Fees

Application -	\$2,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over
Closing/Expansion Sale/Transfer -	¾ of one percent up to \$10 million total project cost and an additional 1/8 of a percent on any project costs in excess of \$10 million. Projects will incur a minimum charge of \$7,500 plus all publication and legal fees.
Annual Administrative -	\$1,000 administrative fee payable with PILOT.
Termination –	Between \$750 and \$2,000
Refinance –	1/10 th of one percent of transaction price (project cost) or \$2,500, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest monthly, plus \$1,000 administrative fee.
Processing Fee -	\$250 per hour with a minimum fee of \$250

Notes: All fees are subject to adjustment by IDA Board members and/or staff on a case-by-case basis.

Failure to abide by the terms and conditions of the PILOT and lease agreement including, but not limited to, rental of space will result in a reduction in abatement with the potential for termination.

Updated: June 15, 2016

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “Act”), the Town of Brookhaven Industrial Development Agency (the “Agency”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “Applicant”) or any other document entered into by such parties in connection with a project (the “Project Documents”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “Financial Assistance” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$1,000 will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant, or be utilized to obtain a partial or full real property tax abatement for a determined period which can be as long as ten years. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st of any year or May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.