

Date: February 15, 2017

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held on the 15th day of February, 2017 at 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III
Martin Callahan
Michael Kelly
Scott Middleton

Recused:

Absent: Felix J. Grucci, Jr.
Gary Pollakusky
Ann-Marie Scheidt

Also Present: Lisa M.G. Mulligan, Chief Executive Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of a leasehold interest in and title to a certain industrial development facility more particularly described below (Aarco Products, Inc. 2017 Facility) and the leasing of the facility to Arao Products, Inc.

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

Voting Aye

Braun
Callahan
Kelly
Middleton

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF FIRST ON OLD DOCK, LLC., A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF FIRST ON OLD DOCK, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND AARCO PRODUCTS INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AARCO PRODUCTS, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENTS OF THE AGENCY FOR THE PURPOSE OF ACQUIRING THE FACILITY, APPROVING THE ACQUISITION OF SUCH INDUSTRIAL DEVELOPMENT FACILITY MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “Act”), the Town of Brookhaven Industrial Development Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, Aarco Products, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Aarco Products Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Applicant” and “Sublessee”), has applied to the Town of Brookhaven Industrial Development Agency (the “Agency”) to enter into a transaction in which the Agency will assist in the acquisition of an approximately 1.6 acre parcel of land located at 21 Old Dock Road, Yaphank, New York (the “Land”), together with an approximately 20,000 square foot building located thereon including, but not limited to, the existing improvements, structures and other related facilities attached to the Land (the “Improvements”; and, together with the Land, the “Facility”), which Facility will be leased by the Agency to First On Old Dock, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of First On Old Dock, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”), and the Facility will be subleased by the Company to, and used by the Sublessee in its business in the manufacture and distribution of educational supplies, visual aids, bulletin boards, chalk boards, “smart” boards and related products for the education visual aid and display industry; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of February 1, 2017 or such other date as the Chairman, the Chief Executive Officer of the Agency and

counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of February 1, 2017 or such other date as the Chairman, the Chief Executive Officer of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Company will sublease the Facility to the Sublessee pursuant to a certain Sublease Agreement, dated a date to be determined (the "**Sublease Agreement**"), by and between the Company and the Sublessee; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,300,000 but not to exceed \$2,000,000 in connection with the financing of the acquisition of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring the Facility with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency; and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of February 1, 2017 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the "**Agency Compliance Agreement**"), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

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

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

WHEREAS, a public hearing (the "**Hearing**") was held on January 30, 2017, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing was given on January 17, 2017, and such notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the report of the Hearing is substantially in the form annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed Facility is either an inducement to the Sublessee to maintain and expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Sublessee in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “SEQR”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company and the Sublessee have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “**Questionnaire**”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

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

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

Section 1. Based upon the Environmental Assessment Form completed by the Company and the Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition and operation of the Facility is an “unlisted” action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Chief Executive Officer of the Agency or counsel to the Agency.

Section 2. The Agency hereby finds and determines:

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

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

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

(d) The acquisition of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

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

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

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

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

(i) The Lease Agreement will be an effective instrument whereby the Agency leases the Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company.

(j) The Agency Compliance Agreement will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Sublease Agreement.

(k) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Company agree to secure the Loan made to the Company by the Lender.

Section 3. The Agency has assessed all material information included in connection with the Company's and the Sublessee's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) lease and sublease the Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease

Agreement, (v) execute and deliver the Agency Compliance Agreement, (vi) execute and deliver additional documents as may be required in connection with the leasing of the Facility by the Agency to the Company, (vii) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (viii) execute and deliver the Loan Documents to which the Agency is a party.

Section 5. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 7. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition of the Facility in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,300,000 but not to exceed \$2,000,000 in connection with the financing of the acquisition of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring the Facility, and (ii) abatement of real property taxes on the Facility (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency.

Section 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Lease Agreement.

Section 9. The form and substance of the Company Lease, the Lease Agreement, the Agency Compliance Agreement and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10.

(a) The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, the Agency Compliance Agreement and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Chief Executive Officer or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Agency Documents"). The execution thereof by the

Chairman, the Chief Executive Officer of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

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

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company and/or the Sublessee. By acceptance hereof, the Company and the Sublessee agree 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 Facility.

Section 13. This resolution shall take effect immediately.

ADOPTED: FEBRUARY 15, 2017

ACCEPTED: _____, 2017

FIRST ON OLD DOCK, LLC

By: _____

Name:

Title:

AARCO PRODUCTS, INC.

By: _____

Name:

Title:

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 15th day of February, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 15th day of February, 2017.

By:  _____
Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency on the 30th day of January, 2017, at 11:00 a.m., local time, at the Town of Brookhaven, Offices of Economic Development, One Independence Hill, 3rd Floor, Farmingville, New York, in connection with the following matters:

Aarco Products, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Araeco Products Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Applicant**"), has applied to the Town of Brookhaven Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in the acquisition of an approximately 1.6 acre parcel of land located at 21 Old Dock Road, Yaphank, New York (the "**Land**") together with an approximately 20,000 square foot building located thereon including, but not limited to, the existing improvements, structures and other related facilities attached to the Land (the "**Improvements**"; and, together with the Land, the "**Facility**"), which Facility will be leased by the Agency to First On Old Dock, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of First On Old Dock, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), and the Facility will be subleased by the Company to, and used by the Applicant in its business in the manufacture and distribution of educational supplies, visual aids, bulletin boards, chalk boards, "smart" boards and related products for the education visual aid and display industry. The Facility will be owned by the Company.

The Agency will acquire a leasehold interest in the Facility will lease the Facility to the Company for further sublease by the Company to the Applicant. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes in connection with the renovation and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility and abatement of real property taxes, all consistent with the policies of the Agency.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company and the Applicant or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Applicant with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: January __, 2017

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT
AGENCY

By: Lisa MG Mulligan
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
JANUARY 30, 2017 at 11:00 A.M.

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
(AARCO PRODUCTS, INC. 2017 FACILITY)

1. Lisa MG Mulligan, Chief Executive Officer of the Town of Brookhaven Industrial Development Agency (the “**Agency**”) called the hearing to order.

2. The Chief Executive Officer then described the location and nature of the Facility to be financed as follows:

Aarco Products, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Araeco Products Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Applicant**”), has applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in the acquisition of an approximately 1.6 acre parcel of land located at 21 Old Dock Road, Yaphank, New York (the “**Land**”) together with an approximately 20,000 square foot building located thereon including, but not limited to, the existing improvements, structures and other related facilities attached to the Land (the “**Improvements**”; and, together with the Land, the “**Facility**”), which Facility will be leased by the Agency to First On Old Dock, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of First On Old Dock, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), and the Facility will be subleased by the Company to, and used by the Applicant in its business in the manufacture and distribution of educational supplies, visual aids, bulletin boards, chalk boards, “smart” boards and related products for the education visual aid and display industry. The Facility will be owned by the Company.

3. The Agency will acquire a leasehold interest in the Facility will lease the Facility to the Company for further sublease by the Company to the Applicant. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes in connection with the renovation and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility and abatement of real property taxes, all consistent with the policies of the Agency.

4. The hearing officer then opened up the hearing for comments from the floor for or against the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

N/A

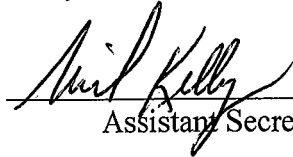
5. The Chief Executive Officer then asked if there were any further comments and, there being none, the hearing was closed at 11:30 a.m.

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Brookhaven Industrial Development Agency (the "Agency") on January 30, 2017, at 11:00 a.m. local time, at Brookhaven Town Hall, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of January 30, 2017.



Assistant Secretary

EXHIBIT C

Proposed PILOT Schedule

Formula for payments-in-lieu-of-taxes: Town of Brookhaven, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), South Country School District, Suffolk County and Appropriate Special Districts

Aarco Products, Inc. Project
21 Old Dock Road, Yaphank, New York
District 0200, Section 777.00, Block 05.00, Lot 001.004
South Country Central School District

<u>Tax Year</u>	<u>PILOT Payment Amount</u>
1	\$3,749.00
2	7,657.00
3	11,720.00
4	15,945.00
5	20,338.00
6	24,904.00
7	29,648.00
8	34,574.00
9	39,690.00
10	45,000.00

Date: August 21, 2019

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held on the 21st day of August, 2019, at the Town of Brookhaven, 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun III
Martin Callahan
Felix J. Grucci, Jr.
Scott Middleton
Gary Pollakusky
Ann-Marie Scheidt
Frank C. Trotta

Recused:

Absent:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Aarco Products, Inc. 2017 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Braun
Callahan
Grucci
Middleton
Pollakusky
Scheidt
Trotta

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING A MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN CONNECTION THEREWITH FOR THE AARCO PRODUCTS, INC. 2017 FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously assisted in the acquisition of an approximately 1.6 acre parcel of land located at 21 Old Dock Road, Yaphank, New York (the “**Land**”), together with an approximately 20,000 square foot building located thereon including, but not limited to, the existing improvements, structures and other related facilities attached to the Land (the “**Improvements**”; and, together with the Land, the “**Facility**”), which Facility is leased by the Agency to First On Old Dock, LLC, a limited liability company organized and existing under the laws of the State of New York (the “**Company**”), and the Facility is subleased by the Company to, and used by Aarco Products, Inc., a business corporation organized and existing under the laws of the State of New York (the “**Sublessee**”), in its business in the manufacture and distribution of educational supplies, visual aids, bulletin boards, chalk boards, “smart” boards and related products for the education visual aid and display industry (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on February 15, 2017 (the “**Authorizing Resolution**”), authorized the acquisition, renovation and equipping of such facility and the execution and delivery of the Agency Documents (as defined therein); and

WHEREAS, the Company leased the Facility to the Agency pursuant to a certain Company Lease Agreement, dated as of February 1, 2017 (the “**Company Lease**”), between the Company and the Agency, a memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency leased the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of February 1, 2017 (the “**Lease Agreement**”), between the Agency and the Company, a memorandum of Lease Agreement was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Company subleased the Facility to the Sublessee pursuant to a certain Sublease Agreement, dated as of February 1, 2017 (the “**Sublease Agreement**”), between the Company and the Sublessee; and

WHEREAS, the Agency and the Sublessee entered into an Agency Compliance Agreement, dated as of February 1, 2017 (the “**Agency Compliance Agreement**”), by and between the Agency and the Sublessee; and

WHEREAS, the Company and the Agency previously mortgaged their respective interests in the Facility to People's United Bank, successor in interest to Suffolk County National Bank (the "**Lender**") pursuant to a certain Mortgage and Security Agreement, dated on or about February 28, 2017 (the "**2017 Mortgage**"), from the Agency and the Company to the Lender, securing the principal amount of \$1,300,000, which such 2017 Mortgage was to be recorded in the Suffolk County Clerk's office; and

WHEREAS, the Company has now requested that the Agency consent to enter into a mortgage with the Lender to provide a partial security for a line of credit with respect to the Facility in the principal amount presently expected to be \$500,000 but not to exceed \$700,000 (the "**2019 Loan**"); and

WHEREAS, as security for such 2019 Loan being made to the Company by the 2019 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the "**2019 Loan Documents**"); and

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

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the financing or refinancing of the Facility and the continued leasing and subleasing of the Facility.

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a "project", as such term is defined in the Act.
- (c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.

- (e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located.
- (g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (h) The 2019 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2019 Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2.

In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the Lender (the "**2019 Mortgage**"), (ii) authorize the execution and delivery of the 2019 Mortgage, and (vi) execute, deliver and perform the 2019 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2019 Loan or any subsequent refinancing of the 2019 Mortgage, provided, however, the Company shall be required to pay the mortgage recording tax on the full principal amount of the 2019 Mortgage

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2019 Loan Documents and 2019 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2019 Loan, or any subsequent refinancing of the 2019 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Chief Executive Officer, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2019 Mortgage and 2019 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) the Chairman, Chief Executive Officer, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree 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 financing or refinancing of the Facility.

Section 7. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 21st day of August, 2019, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of August, 2019.

By _____
Secretary

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

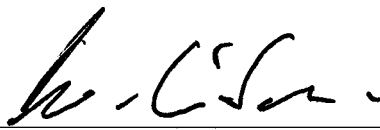
I, the undersigned Secretary of the Town of Brookhaven Industrial Development Agency,
DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on the 21st day of August, 2019, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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Secretary