

RESOLUTION OF THE TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY  
AUTHORIZING A MORTGAGE FINANCING AND RE-  
FINANCING AND THE EXECUTION AND DELIVERY  
OF LOAN DOCUMENTS IN CONNECTION  
THEREWITH FOR 17 BELLE MEADE RD LLC / R.E.  
HANSEN INDUSTRIES INC. FACILITY AND  
APPROVING THE FORM, SUBSTANCE, EXECUTION  
AND DELIVERY 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 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 has previously assisted 17 BELLE MEADE RD LLC, a New York limited liability company (the "Company"), in the acquisition of approximately 4.5 acres of land, more particularly shown on the Suffolk County Tax Map as District 0200 Section 202.00 Block 03.00 Lot 004.002 (the "Land"), the demolition of structures thereon, and the acquisition, construction and equipping of an approximately 40,000 square foot building, an approximately 12,000 square foot building, and related improvements thereon (the "Improvements"), to be subleased by the Company to R.E. Hansen Industries Inc., a New York corporation, for use by R.E. Hansen Industries Inc, for manufacturing, distribution and fabrication of sheet metal products (the "Facility"); and

WHEREAS, the Agency acquired a fee interest in the Land and Improvements pursuant to a deed, dated as of September 14, 2014 (the "Deed"), from the Company to the Agency; and

WHEREAS, the Agency currently leases the Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2014 (the "Lease Agreement"), by and between the Agency and the Company; and

WHEREAS, the Company currently subleases a portion of the Facility to R.E. Hansen Industries Inc. pursuant to the Sublease Agreement, dated September 9, 2014, as amended (the "Hansen Sublease Agreement"), by and between the Company, as sublessor, and R.E. Hansen Industries Inc., as sublessee; and

WHEREAS, the Company currently subleases a portion of the Facility to Hansai Holdings LLC, a New York limited liability company, pursuant to the Sublease Agreement, dated March 15, 2019 (the "Hansai Sublease Agreement"), by and between the Company, as sublessor, and Hansai Holdings LLC, as sublessee; and

WHEREAS, in connection with the acquisition, construction and equipping of the Facility, the Company and the Agency mortgaged their respective interests in the Facility by entering into a Mortgage and Assignment of Rents, dated September 9, 2014 (the "2014

Mortgage"), from the Company and the Agency to M&T Bank (the "Lender"), securing the principal amount of \$3,600,000; and

WHEREAS, the Company has now requested the Agency's consent to enter into a financing or refinancing with M&T Bank, or such other lender as may be determined (the "2020 Lender"), with respect to the Facility in the aggregate principal amount presently estimated to be \$4,480,000.00, but not to exceed \$5,200,000 (the "2020 Loan"); and

WHEREAS, as security for such 2020 Loan being made to the Company by the 2020 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2020 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 2020 Lender (the "2020 Loan Documents"); and

WHEREAS, the Agency contemplates that it will not provide financial assistance to the Company in connection with the 2020 Loan in the form of exemptions from mortgage recording taxes; 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 Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

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; and

b. The Facility constitutes a "project", as such term as defined in the Act; and

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, construction 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 and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

e. The financing or refinancing of the acquisition, construction 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 2020 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2020 Loan to the 2020 Lender.

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 for the benefit of the 2020 Lender (the "2020 Mortgage"), provided, however, that the Agency shall not grant a mortgage recording tax exemption for the 2020 Mortgage to which the Agency is a party, (ii) execute, deliver and perform the 2020 Mortgage, (iii) execute, deliver and perform the 2020 Loan Documents, with a limitation of the Agency's liability, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof, and (iv) execute, deliver and perform such other related documents to which the Agency is a party, as may be necessary or appropriate to effect the 2020 Loan or any subsequent refinancing of the 2020 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 2020 Mortgage and the 2020 Loan Documents and such other related documents as may be necessary or appropriate to effect the 2020 Loan, or any subsequent refinancing of the 2020 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement:

a. 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 2020 Mortgage and the 2020 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman, the Chief Executive Officer, or any of the other members of 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, 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 Agency's Chairman, Chief Executive Officer, members, officers, employees and agents are each 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 person acting on behalf of the Agency, 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 and all acts, instruments, and other writings heretofore or hereafter performed and/or executed and delivered by any one or more of the Agency's Chairman, Chief Executive Officer, members, officers, employees or agents, pursuant to the several foregoing resolutions, for and on behalf of and in the name of the Agency, in connection with the transactions contemplated thereby, be and the same hereby are, in all respects ratified, confirmed and approved.

Section 7. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution

Section 1. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further 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 with respect to the financing or refinancing of the Facility.

Section 8. This resolution shall take effect immediately.

ADOPTED: June 17, 2020

ACCEPTED: June 23, 2020

17 BELLE MEADE RD LLC

By: 

Name: Robert Hansel

Title: Managing Member

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND TAKING OFFICIAL ACTION AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENTS AND TAKING OF CERTAIN OTHER ACTION PERTAINING TO THE FACILITY FOR **17 BELLE MEADE RD LLC** (“SUBLESSOR”) AND/OR **R.E. HANSEN INDUSTRIES INC.** (THE “SUBLESSEE”), ANY OF THE PRINCIPALS OF THE SUBLESSOR OR THE SUBLESSEE AND/OR OTHER ENTITY TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING (COLLECTIVELY, THE “COMPANY”), INCLUDING APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND EQUIPPING A COMMERCIAL FACILITY.

WHEREAS, the Town of Brookhaven Industrial Development Agency (the “Agency”) was created by 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 (collectively, the “Act”), with the authority and power to, among other things, acquire, construct and equip a project, provide financial assistance, and mortgage, lease, grant options with respect to and dispose of property; and

WHEREAS, the Company has applied to the Town of Brookhaven Industrial Development Agency (the “Agency”) to enter into a transaction in which the Agency will acquire from the Company approximately 4.5 acres of land, more particularly shown on the Suffolk County Tax Map as District 0200 Section 202.00-03.00-004.002 (the “Land”), demolish existing structures thereon, and acquire, construct and equip an approximately 40,000 square foot building, an approximately 12,000 square foot building, and related improvements thereon, lease such Land, improvements and equipment to the Sublessor with an obligation of the Sublessor to purchase, and provide financial assistance with respect thereto and assist with the financing thereof, to be subleased by the Sublessor to the Sublessee, and to be used by Sublessee for manufacturing, distribution and fabrication of sheet metal products (the “Facility”), including the following as they relate to the appointment of the Company as agents of the Agency as hereinafter provided with respect to the acquisition, demolition, construction and equipping of the Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with such acquisition, construction and equipping, and (ii) all purchases, rentals, uses and/or consumption of supplies, materials and services of every kind and description used in connection with such acquisition, construction and equipping, and (iii) all equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility, all pursuant to the Act; and

WHEREAS, the Act authorizes and empowers the Agency to acquire, renovate, construct, equip, promote, develop, encourage and assist projects such as the Facility and to

advance the job opportunities, health, general property and economic welfare of the people of the State of New York; and

WHEREAS, the Agency will provide financial assistance to the Facility, consistent with the policies of the Agency, by allowing and assisting in the creation of mortgage liens on, and securing interests in, the Facility and in the form of abatement of real property taxes consistent with the Agency's uniform tax exemption policy, exemption from sales and use taxes on materials and or equipment used or incorporated in the Facility and exemption from mortgage recording tax; and

WHEREAS, a public hearing (the "Hearing") was held on December 30, 2013, 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 more than ten days prior thereto, such notice (together with proof of publication) having been filed with the records of this Agency; and

WHEREAS, the minutes of the Hearing having been filed with the records of this Agency; and

WHEREAS, the Agency has given due consideration to the application of the Company and to the representations by the Company that the proposed transfer of real estate is either an inducement to the Company to maintain or expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Company in its industry; 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 on mortgages in an aggregate amount presently estimated to be \$4,000,000.00 but not to exceed \$4,500,000.00, in connection with the financing of the acquisition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing, renovating, and equipping of the Facility, (ii) exemptions from sales and use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility or in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$190,000.00, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit B hereof), all consistent with the policies of the Agency exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility or permanent financing of the Facility, the sales and use taxes in connection with the acquisition, construction, renovation and equipping of the Facility, and real estate taxes in connection with the Facility; 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 “SEQRA”), 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 has prepared and submitted to the Agency and 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.

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and the Town of Brookhaven Planning Board (the “Lead Agency”) and other representations and information furnished by the Company regarding the Facility, the Agency determines that action relating to the acquisition, construction, equipping and operation of the Facility is a “Unlisted” action, as that term is defined in the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law). An environmental review of the Facility pursuant to SEQRA was conducted by the Lead Agency and, on December 2, 2013, a negative declaration for purposes of SEQRA was adopted by the Lead Agency. The Agency concurs with the findings of the Lead Agency and, as of the date of this resolution, determines that the action will not have a “significant effect” on the environment and, therefore, an environmental impact statement will not be required. This determination constitutes a negative declaration for the purposes of SEQRA. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman, 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 as defined in the Act; and

c. The acquisition, construction and equipping of the Facility, the leasing of the Facility to the Company, with an obligation to purchase, the providing of financial assistance to the Company within the meaning of the Act, and the granting of mortgages on, and security interests in, the Facility, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; the Sublessor and Sublessee have represented to the Agency that they shall provide approximately 145 full-time equivalent employees (“FTE”) within one (1) year after completion

of acquisition, construction, and equipping of the Facility, and within two years after such completion and thereafter 174 FTE's; and

d. The Agency approves the location of the site of the Facility;  
and

e. Based upon the representations of the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local use plans for the area in which the Facility is located; and

f. The Facility and the operations conducted therein will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York, or the Town of Brookhaven; and

g. The financial assistance of the Agency shall not result in the removal of a facility or plant of the Company 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 Company located within the State except, as set forth in the Company's application, for the purpose of discouraging the Company from removing such other plant or facility to a location outside the State or to preserve the competitive position of the Company in its industry; and

h. The Facility shall not be used for retail sales; and

i. The transactions contemplated hereby are reasonably necessary to induce the Company to maintain and expand its operations within the State of New York, and to preserve the competitive position of the Company.

Section 3. The Agency shall, in furtherance of the purposes of the Act,

a. acquire, construct, equip, repair and maintain the Facility;  
and

b. lease the Facility to the Company with an obligation of the Company to purchase the Facility, with the term of such lease to be approximately ten (10) years;  
and

c. provide "financial assistance" within the meaning of the Act to the Company, including straight leases, exemptions from taxation in accordance with Section 874 of the Act.

Section 4. The Chairman, Chief Executive Officer, Deputy Chief Executive Officer and/or any other member of the Agency are hereby authorized and directed to, on behalf of and in the name of the Agency,

a. accept a deed and other instruments of title to the Facility,



b. execute, deliver and perform a lease agreement (a “straight lease”) between the Agency and the Company, with an obligation of the Company to purchase, for a term of approximately ten (10) years, expiring on November 30, 2025, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof,

c. execute, deliver and perform a mortgage and security agreement or agreements granting to a lender or lenders for the Company a mortgage or mortgages on, and/or a security interest or security interests in, the Facility, including replacements, substitutions, extensions and additions to such mortgages and security interests thereto, with a limitation of the Agency’s liability, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof,

d. execute, deliver and perform a payment in lieu of taxes agreement between the Agency and the Company, setting forth the assessed value of the Facility at the current assessed value of the Facility and providing for the Agency’s standard real property tax payment on the value of the new construction and equipping of the Facility, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof,

e. execute, deliver and perform a recapture agreement between the Agency and the Company, providing for, among other matters, the recapture of benefits granted by virtue of the Agency’s acquisition, construction, or equipping the Facility, including under the PILOT Agreement, the Lease Agreement and any other agreements, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof,

f. execute, deliver and perform, on behalf of and in the name of the Agency, such other agreements, leases, mortgages, security agreements, deeds, payment in lieu of taxes agreements, notices, and any and all documents or instruments, in such form and containing such additional terms, conditions and provisions as, and take such further actions, as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof.

Section 5. Subject to, and conditioned upon, the execution and delivery by the Company of the Authorizing Agreement, the Company is hereby appointed the true and lawful agent of the Agency to acquire, construct and equip the Facility on behalf of the Agency, with the authority to delegate its status as agent of the Agency to the Company’s agents, subagents,

contractors, subcontractors, suppliers, vendors and other parties as the Company may choose. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this Section 5 are set forth in the form of the attached letter addressed to the Company, marked as Exhibit A to this resolution, which is incorporated herein by reference (the "Sales Tax Letter"). The appointment described above includes the following activities as they relate to the acquiring, constructing and equipping of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquiring, constructing and equipping the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with acquiring, constructing and equipping the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Facility, including all repairs and replacements of such property. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders receipts writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The appointment hereunder shall expire upon the earliest of (a) February 28, 2016, (b) completion of the initial acquisition, construction and equipping of the Facility, and (c) the date on which the Company has received exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$190,000.00; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company, if such activities and improvements are not completed by such time. The aforesaid agency appointment expressly excludes the Company from purchasing motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The appointment hereunder shall be null and void from its inception if the execution and delivery of the instruments contemplated at Section 4 above does not occur within six (6) months after the date of the adoption of this resolution, unless such time period shall be extended by resolution of the Agency. The Chief Executive Officer of the Agency is hereby authorized to execute and deliver to the Company a Sales Tax Letter (in the form customarily utilized by this Agency) on behalf of, and in the name of the Agency, with such changes thereto as the Chief Executive Officer may deem appropriate, and, notwithstanding the foregoing provisions of this Section 5, the appointment of the Company herein shall not be effective unless and until the Chief Executive Officer shall issue the Sales Tax Letter to the Company.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, construction and equipping of the Facility in the form of exemptions from mortgage recording taxes in an aggregate amount presently estimated to be \$42,000 but not to exceed \$47,250, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, construction and equipping of the Facility, exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to

exceed \$190,000.00 and abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit B hereof), consistent with the policies of the Agency.

Section 7. 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 resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 8. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Weinberg, Gross & Pergament LLP), to prepare, for submission to the Agency, all documents necessary to effect the transaction described in the foregoing resolution.

Section 9. Any and all acts, instruments, and other writings heretofore or hereafter performed and/or executed and delivered by any one or more of the Chairman, Chief Executive Officer or any member of the Agency, pursuant to the several foregoing resolutions, for and on behalf of and in the name of the Agency, in connection with the transactions contemplated thereby, be and the same hereby are, in all respects ratified, confirmed and approved.

Section 10. The documents, including the proposed lease agreement, mortgage and/or security agreement and payment in lieu of taxes agreement, immediately following the execution, and delivery thereof, be identified by any of the Chairman, Chief Executive Officer or any member of the Agency by his or her endorsement thereon and when so identified be filed with the official records of the Agency.

Section 11. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 12. This resolution shall take effect immediately.

EXHIBIT A  
SALES TAX LETTER

EXHIBIT B

YEAR	PILOT Amount	Tax w/out IDA	Tax Savings
1	\$24,961.23	\$120,965.98	\$96,004.75
2	\$25,460.46	\$123,385.30	\$97,924.84
3	\$25,969.67	\$125,853.01	\$99,883.34
4	\$26,489.06	\$128,370.07	\$101,881.00
5	\$27,018.84	\$130,937.47	\$103,918.62
6	\$27,559.22	\$133,556.22	\$105,997.00
7	\$28,110.40	\$136,227.34	\$108,116.94
8	\$28,672.61	\$138,951.89	\$110,279.28
9	\$29,246.06	\$141,730.93	\$112,484.86
10	\$29,830.99	\$144,565.54	\$114,734.56

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

January \_\_, 2014



RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND TAKING OFFICIAL ACTION AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENTS AND TAKING OF CERTAIN OTHER ACTION PERTAINING TO THE FACILITY FOR **17 BELLE MEADE RD LLC** (“SUBLESSOR”) AND/OR **R.E. HANSEN INDUSTRIES INC.** (THE “SUBLESSEE”), ANY OF THE PRINCIPALS OF THE SUBLESSOR OR THE SUBLESSEE AND/OR OTHER ENTITY TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING (COLLECTIVELY, THE “COMPANY”).

WHEREAS, the Town of Brookhaven Industrial Development Agency (the “Agency”) was created by 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 (collectively, the “Act”), with the authority and power to, among other things, acquire, construct and equip a project, provide financial assistance, and mortgage, lease, grant options with respect to and dispose of property; and

WHEREAS, the Company has applied to the Town of Brookhaven Industrial Development Agency (the “Agency”) to enter into a transaction in which the Agency will acquire from the Company approximately 4.5 acres of land, more particularly shown on the Suffolk County Tax Map as District 0200 Section 202.00 Block 03.00 Lot 004.002 (the “Land”), demolish existing structures thereon, and acquire, construct and equip an approximately 40,000 square foot building, an approximately 12,000 square foot building, and related improvements thereon, lease such Land, improvements and equipment to the Sublessor with an obligation of the Sublessor to purchase, and provide financial assistance with respect thereto and assist with the financing thereof, to be subleased by the Sublessor to the Sublessee, and to be used by Sublessee for manufacturing, distribution and fabrication of sheet metal products (the “Facility”), including the following as they relate to the appointment of the Company as agents of the Agency as hereinafter provided with respect to the acquisition, demolition, construction and equipping of the Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with such acquisition, construction and equipping, and (ii) all purchases, rentals, uses and/or consumption of supplies, materials and services of every kind and description used in connection with such acquisition, construction and equipping, and (iii) all equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility, all pursuant to the Act; and

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

WHEREAS, the Agency will provide financial assistance to the Facility, consistent with the policies of the Agency, by allowing and assisting in the creation of mortgage liens on, and securing interests in, the Facility and in the form of abatement of real property taxes consistent with the Agency's uniform tax exemption policy, exemption from sales and use taxes on materials and or equipment used or incorporated in the Facility and exemption from mortgage recording tax; and

WHEREAS, a public hearing (the "Hearing") was held on December 30, 2013, 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 more than ten days prior thereto, such notice (together with proof of publication) having been filed with the records of this Agency; and

WHEREAS, the minutes of the Hearing having been filed with the records of this Agency; and

WHEREAS, the Agency duly considered the application of the Company and the representations by the Company that the proposed transfer of real estate is either an inducement to the Company to maintain or expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Company 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 "SEQRA"), 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 has prepared and submitted to the Agency and 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 was reviewed by the Agency; and

WHEREAS, the Agency duly adopted its authorizing resolutions at its meeting of January 15, 2014 (the "Initial Resolutions"), a true copy of which is on file with the records of the Agency, issuing a negative declaration for the purposes of SEQRA, making certain determinations regarding the Facility and the financial assistance requested of the Agency, authorizing the acquisition, construction, equipping, repair and maintenance of the Facility, the leasing of the Facility to the Company, and providing financial assistance to the Company, authorizing the Chairman, Chief Executive Officer and others to take certain actions, including the execution and delivery of agreements and other documents, in furtherance of the resolutions and actions authorized thereby, and appointing the Company and others as agent of the Agency, which such resolutions remain in full force and effect and have not been rescinded, repealed or modified; and



WHEREAS, the Agency's Initial Resolutions contemplated that the Agency will provide financial assistance to the Company, consistent with the policies of the Agency, in the form of, among other benefits, abatement of real property taxes as set forth in the PILOT Schedule attached as Exhibit B to the Initial Resolutions (the "Original PILOT Schedule"); and

WHEREAS, the Agency has determined that the Original PILOT Schedule contained certain inaccuracies, not reflective of the Agency's policies.

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. The Agency hereby replaces the Original PILOT Schedule with the revised and amended PILOT Schedule attached hereto as Exhibit A.

Section 2. Except as modified hereby, the Agency hereby readopts, reiterates, reaffirms, and ratifies the Initial Resolutions in their entirety as fully and completely as if set forth herein at length.

Section 3. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 4. This resolution shall take effect immediately.

EXHIBIT A

YEAR	PILOT Amount	Tax w/out IDA	Tax Savings
1	\$8,420.30	\$124,283.69	\$115,863.38
2	\$8,588.71	\$126,769.36	\$118,180.65
3	\$8,760.48	\$129,304.75	\$120,544.26
4	\$8,935.69	\$131,890.84	\$122,955.15
5	\$9,114.41	\$134,528.66	\$125,414.25
6	\$9,296.70	\$137,219.23	\$127,922.54
7	\$9,482.63	\$139,963.62	\$130,480.99
8	\$9,672.28	\$142,762.89	\$133,090.61
9	\$9,865.73	\$145,618.15	\$135,752.42
10	\$10,063.04	\$148,530.51	\$138,467.47

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

January \_\_, 2014

NOTE:

Sewer Charges if applicable will be billed separately by the Town of Brookhaven Tax Receiver