

Date: August 29, 2018

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held at 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, on the 29th day of August, 2018, the following members of the Agency were:

Present: Frederick C. Braun III, Chairman
Felix R. Grucci, Jr., Vice Chair
Martin Callahan, Treasurer
Michael Kelly, Asst. Secretary
Gary Pollakusky, Member (left meeting prior to voting)

Recused:

Absent: Scott Middleton, Asst. Treasurer
Ann-Marie Scheidt, Secretary

Also Present: Lisa MG 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 (Triple Five Aviation Industries LLC 2018 Facility) and the leasing of the facility to Triple Five Aviation Industries LLC.

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

Voting Aye

F. Braun
F. Grucci, Jr.
M. Callahan
M. Kelly

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION, REDEVELOPMENT AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF TRIPLE FIVE AVIATION INDUSTRIES LLC, A DELAWARE LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF TRIPLE FIVE AVIATION INDUSTRIES LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING, REDEVELOPING AND EQUIPPING THE FACILITY, AND 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 (the “**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, Triple Five Aviation Industries LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Triple Five Aviation Industries LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition of an approximately 105 acre parcel of land (formerly the Dowling College Aviation Campus) located at 1300 William Floyd Parkway, Shirley, New York 11967 (the “**Land**”), the renovation, redevelopment and equipping of several buildings located thereon including, but not limited to (a) an approximately 65,000 square foot building which may be renovated in the future for use as office and classroom space, (b) a 289 bed dormitory building, and (c) an athletic field complex located on approximately 33.0 acres of the Land (collectively, the “**Equipment**” and “**Improvements**”; and, together with the Land, the “**Facility**”), all for lease by the Agency to the Company, to be subleased by the Company to a future tenant or tenants not yet determined (the “**Tenants**”), for uses such as an educational and training facility and/or corporate research and development center, aviation technology research and development facility, and other services to promote work, study and/or develop technology and aviation (collectively, the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and will sublease and lease the Facility to the Company all pursuant to the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and Improvements pursuant to a certain Company Lease Agreement, dated as of September 1, 2018 or such other date as the Chairman or 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 acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**Bill of Sale**”), from the Company to 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 September 1, 2018 or such other date as the Chairman or 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 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 \$12,000,000 but not to exceed \$16,000,000 in connection with the financing of the acquisition, renovation, redevelopment and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, redeveloping and equipping the Facility, and (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$131,654, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility; and

WHEREAS, as of the date of this resolution, no determination for financial assistance in connection with an abatement of real property taxes has been made by the Agency; and

WHEREAS, as security for a loan or loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to 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, construction and equipping 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 August 29, 2018, 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 August 18, 2018 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 to representations by the Company that the proposed Facility is either an inducement to the Company 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 “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 has 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 renovation, redevelopment and equipping of the Facility is an “Action” under SEQR; and

WHEREAS, the Agency, as an Involved Agency under SEQR, declared its intent to act as Lead Agency for purposes of review of the Facility under SEQR, and determined that there are no other Involved and Interested Agencies with whom to coordinate review, and therefore, the Agency was the Lead Agency; and

WHEREAS, the Agency, as Lead Agency, determined that the Facility is a Type I Action as identified under SEQR; and

WHEREAS, the Agency has completed Parts 2 and 3 of the full Environmental Assessment Form, reviewed the criteria for making a determination of significance comparing these criteria to identified impacts and has made a determination that the proposed Facility will not result in significant adverse impacts to the environment for the Action; and

WHEREAS, the Company has agreed to indemnify the Issuer 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 Issuer 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 Questionnaire completed by the Company and reviewed by the Agency and other representations and information furnished by the Company, the Agency, determined that, based upon its review of the EAF, the appropriate criteria for determination of significance, and such other and further information which the Agency felt necessary to review, the Facility will not result in significant adverse impacts to

the environment and, therefore an environmental impact statement will not be prepared. That determination constitutes a negative declaration for purposes of SEQR.

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 Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Brookhaven. The Company has represented to the Agency that they expect to provide twenty (20) jobs within one (1) year of completion of the acquisition, renovation, redevelopment and equipping of the Facility (the “Completion Date”) and an additional thirty (30) jobs within two (2) years of the Completion Date for a total of fifty (50) jobs at the Facility; and

(d) The acquisition, construction and equipping of the Facility and the leasing and subleasing 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

(e) The acquisition, renovation, redevelopment and equipping of the Facility is reasonably necessary to induce the Company to expand its business operations in the State of New York; and

(f) Based upon representations of the Company and counsel to the Company, 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

(g) 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

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

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

(j) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Facility to the Company, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and

(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 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) sublease and lease the Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (vi) 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. In connection with the Facility the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation, redevelopment and equipping of the Facility in the form of the Agency (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$12,000,000 but not to exceed \$16,000,000 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, renovating, redeveloping and equipping the Facility, and (ii) exemptions from sales and use taxes in an amount not to exceed \$131,654, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility. From and after the Closing Date, the Company shall pay full real estate taxes on the Facility until such time as the Agency shall approve a payment in lieu of real property tax abatement schedule (a "PILOT Schedule") and the Agency and the Company have amended the Lease Agreement to include such PILOT Schedule.

Section 8. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate, redevelop and equip the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such

other parties as the Company may choose in order to acquire, renovate, redevelop and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agent of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company of any 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 Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate, redevelop and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes for the Facility in an amount not to exceed \$131,654, in connection with the purchase or lease of equipment, building materials, services or other personal property; 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 appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 9. 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.

Section 10. The form and substance of the Company Lease, the Lease 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 11.

(a) The Chairman, Vice Chairman, Chief Executive Officer or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease 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, Vice Chairman, Chief Executive Officer or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Chief Executive Officer 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 12. 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 13. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company agrees to pay expenses and 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 14. This resolution shall take effect immediately.

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency (the “**Agency**”) on the 29th day of August 2018, at 9:00 a.m. local time, at the Town of Brookhaven Division of Economic Development, 2nd Floor, One Independence Hill, Farmingville, New York 11738, in connection with the following matters, New York in connection with the following matters:

Triple Five Aviation Industries, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Triple Five Aviation Industries, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition of an approximately 105 acre parcel of land (formerly the Dowling College Aviation Campus) located at 1300 William Floyd Parkway, Shirley, New York 11967 (the “**Land**”), the renovation, redevelopment and equipping of several buildings located thereon including, but not limited to (a) an approximately 65,000 square foot building which may be renovated in the future for use as office and classroom space, (b) a 289 bed dormitory building, and (c) an athletic field complex located on approximately 33.0 acres of the Land (collectively, the “**Equipment**” and “**Improvements**”; and, together with the Land, the “**Facility**”), all for lease by the Agency to the Company and to be subleased by the Company to a future tenant or tenants not yet determined (the “**Tenants**”), for uses such as an educational and training facility and/or corporate research and development center, aviation technology research and development facility, and other services to promote work, study and/or develop technology and aviation (collectively, the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility and exemptions from sales and use taxes in connection with the renovation and equipping 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 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 Company with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: August 18, 2018

**TOWN OF BROOKHAVEN INDUSTRIAL
DEVELOPMENT AGENCY**

By: Lisa MG Mulligan
Title: Chief Executive Officer

EXHIBIT B

[FORM OF MINUTES OF PUBLIC HEARING HELD ON
AUGUST 29, 2018]

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
(TRIPLE FIVE AVIATION INDUSTRIES, LLC 2018 FACILITY)

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

Section 2. Lisa MG Mulligan then appointed herself the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

Triple Five Aviation Industries, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Triple Five Aviation Industries, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition of an approximately 105 acre parcel of land (formerly the Dowling College Aviation Campus) located at 1300 William Floyd Parkway, Shirley, New York 11967 (the “**Land**”), the renovation, redevelopment and equipping of several buildings located thereon including, but not limited to (a) an approximately 65,000 square foot building which may be renovated in the future for use as office and classroom space, (b) a 289 bed dormitory building, and (c) an athletic field complex located on approximately 33.0 acres of the Land (collectively, the “**Equipment**” and “**Improvements**”; and, together with the Land, the “**Facility**”), all for lease by the Agency to the Company and to be subleased by the Company to a future tenant or tenants not yet determined (the “**Tenants**”), for uses such as an educational and training facility and/or corporate research and development center, aviation technology research and development facility, and other services to promote work, study and/or develop technology and aviation (collectively, the “**Project**”) . The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility and exemptions from sales and use taxes in connection with the construction and equipping of the Facility, and abatement of real property taxes, all consistent with the policies of the Agency.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and 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 hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at 9:30 a.m.

Date: January 9, 2019

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held at 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, on the 9th day of January, 2019, the following members of the Agency were:

Present: Frederick C. Braun, III
Martin Callahan
Gary Pollakusky
Ann-Marie Scheidt

Absent: Felix J. Grucci, Jr.
Scott Middleton
Frank C. Trotta

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 the authorization of abatements of real property taxes related to a certain industrial development facility more particularly described below (Triple Five Aviation Industries LLC 2018 Facility) and the continued leasing of the facility to Triple Five Aviation Industries LLC 2018 Facility.

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

Voting Aye

Braun
Callahan
Pollakusky
Scheidt

Voting Nay

SUPPLEMENTAL RESOLUTION OF THE TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY APPROVING ABATEMENT
OF REAL PROPERTY BENEFITS OF A CERTAIN INDUSTRIAL
DEVELOPMENT FACILITY FOR TRIPLE FIVE AVIATION
INDUSTRIES LLC, A DELAWARE LIMITED LIABILITY COMPANY
FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING
AN INDUSTRIAL DEVELOPMENT 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 (the “**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, by Inducement/Authorizing Resolution, dated September 12, 2018 (the “**Original Authorizing Resolution**”), the Agency authorized Triple Five Aviation Industries LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Triple Five Aviation Industries LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition of an approximately 105 acre parcel of land (formerly the Dowling College Aviation Campus) located at 1300 William Floyd Parkway, Shirley, New York 11967 (the “**Land**”), the renovation, redevelopment and equipping of several buildings located thereon including, but not limited to (a) an approximately 65,000 square foot building which may be renovated in the future for use as office and classroom space, (b) a 289 bed dormitory building, and (c) an athletic field complex located on approximately 33.0 acres of the Land (collectively, the “**Equipment**” and “**Improvements**”; and, together with the Land, the “**Facility**”), all for lease by the Agency to the Company, to be subleased by the Company to a future tenant or tenants not yet determined (the “**Tenants**”), for uses such as an educational and training facility and/or corporate research and development center, aviation technology research and development facility, and other services to promote work, study and/or develop technology and aviation (the “**Project**”) (all capitalized terms are defined in the Original Authorizing Resolution); and

WHEREAS, prior to the Agency adopting its Original Authorizing Resolution, the Agency held a public hearing (the “**Hearing**”) on August 29, 2018, 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, at the Hearing the Agency provided a cost benefit report that included the financial assistance that the Agency proposed to provide 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 \$12,000,000 but not to exceed \$16,000,000 in connection with the financing of the acquisition, renovation,

redevelopment and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, redeveloping and equipping the Facility, (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$131,654, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedules attached as Exhibit A hereto), all consistent with the policies of the Agency; and

WHEREAS, subsequent to the Hearing and prior to the Original Authorizing Resolution, the Company requested that the Agency defer the approval of abatement of real property taxes due to a tax proceeding with the Town of Brookhaven Town Assessor (the “**Town Assessor**”), regarding the assessment of the Facility; and

WHEREAS, the Company filed such tax proceeding with the Town Assessor and has reached a Stipulation of Settlement with the Town Assessor, which such Stipulation of Settlement adjusted the property assessment of the Facility for the 2018/2019 tax year; and

WHEREAS, the Company and the Agency have previously entered into Lease and Project Agreement, dated as of September 1, 2018, (the “**Lease Agreement**”), between the Agency and the Company; and

WHEREAS, the Company has now requested the Agency consider approval of the abatement of real property taxes for the Facility as contemplated in the cost benefit analysis; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, in the form of such abatement of real property taxes on the Facility (as set forth in the PILOT Schedule attached as Exhibit A hereto) (the “**Real Property Tax Abatement**”) all consistent with the policies of the Agency; and

WHEREAS, the Agency and the Company will enter into an Amendment of Lease Agreement, dated as of January 1, 2019 or such other date as the Chairman or Chief Executive Officer of the Agency and counsel to the Agency shall agree (the “**Lease Amendment**”), by and between the Company and the Agency, and such other documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be required to effectuate the addition of the Real Property Tax Abatement for the Facility; 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, the Agency ratifies and confirms all terms contemplated under the Original Authorizing Resolution, as amended by this Supplemental Resolution, including the Agency Documents (as defined therein); and

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. In consequence of the foregoing, the Agency hereby determines to approve the Real Property Tax Abatement for the Facility as detailed on Exhibit A attached hereto and to amend and modify the Lease Agreement to provide for the Real Property Tax Abatement pursuant to the Lease Amendment.

Section 2. The Lease Amendment will be an effective instrument whereby the Agency provides the Real Property Tax Abatement on the Facility to the Company.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) provide to the Company the Real Property Tax Abatement on the Facility, and (ii) execute, deliver and perform the Lease Amendment.

Section 4. The form and substance of the Lease Amendment, and such other documents as may be required (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 5.

(a) The Chairman, Vice Chairman, Chief Executive Officer or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Amendment, 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, Vice Chairman, Chief Executive Officer or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Chief Executive Officer 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 6. 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 7. Any expenses incurred by the Agency regarding the amendment of the Agency Documents to provide for the Real Property Tax Abatement on the Facility shall be paid by the Company. The Company shall 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 the Agency Documents and the Real Property Tax Abatement on the Facility.

Section 8. The Agency hereby ratifies and confirms all terms contemplated by the Original Authorizing Resolution, as amended by this Supplemental Resolution, including the Agency Documents.

Section 9. This resolution shall take effect immediately.

Exhibit A

Proposed PILOT Schedule

Schedule of 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), Longwood Central School District, Suffolk County and Appropriate Special Districts

<u>Year</u>	<u>Tax Year</u>	<u>Payment</u>
1.	2019/2020	\$ 368,747
2.	2020/2021	\$ 376,122
3.	2021/2022	\$ 383,644
4.	2022/2023	\$ 430,447
5.	2023/2024	\$ 478,972
6.	2024/2025	\$ 529,262
7.	2025/2026	\$ 581,376
8.	2026/2027	\$ 635,359
9.	2027/2028	\$ 691,273
10.	2028/2029	\$ 749,165
11.	2029/2030	\$ 809,100
12.	2030/2031	\$ 871,129
13.	2031/2032	\$ 935,320
	and thereafter	100% of full taxes and assessments on the Facility