

RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO CLEAR FLO TECHNOLOGIES INC., CLEAN AND GREEN RECYCLING, INC., 109 PROPERTIES LLC AND 1110A EQUITIES LLC IN CONNECTION WITH THE ACQUISITION, RENOVATION AND EQUIPPING BY 109 PROPERTIES LLC AND 1110A EQUITIES LLC OF CERTAIN OFFICE, WAREHOUSE AND MANUFACTURING FACILITY IN THE TOWN OF BABYLON

WHEREAS, the Town of Babylon Industrial Development Agency (the "Agency") is authorized under the laws of the State of New York, and in particular under the provisions of the New York State Industrial Development Agency Act and the Agency's enabling legislation, respectively constituting Article 18-A and Section 907-a of the General Municipal Law (Chapter 24 of the Consolidated Laws of New York), as amended (the "Act"), to assist in providing for manufacturing, warehousing, research, civic, commercial and industrial facilities in the Town of Babylon; and

WHEREAS, representatives of Clear Flo Technologies Inc. and Clean and Green Recycling, Inc., each a corporation organized and existing under the laws of the State of New York (collectively, the "Sublessee") and 109 Properties LLC, a limited liability company organized under the laws of the State of New York, or any other real estate holding entity formed by the principals of the Sublessee (the "1110 Lessee") and 1110A Equities LLC, a limited liability company organized under the laws of the State of New York or any other real estate holding entity formed by the principals of the Sublessee (the "1110A Lessee" and collectively with the 1110 Lessee, the "Lessee") have supplied information to the Agency concerning the (i) acquisition, renovation and equipping by the 1110 Lessee of a building located at 1110 Route 109 in Lindenhurst, New York (the "1110 Facility") consisting of approximately 37,230 square feet and (ii) the acquisition, renovation and equipping by the 1110A Lessee of a building located at 1110A Route 109 in Lindenhurst, New York (the "1110A Facility" and collectively with the 1110 Facility, the "Facility") consisting of approximately 67,750 square feet and both for use by the Sublessee as an office, warehouse and manufacturing facility (collectively, the "Project") in its business of environmental waste water treatment and recycling; and

WHEREAS, representatives of the Lessee and the Sublessee have indicated that the Project will result in the creation and growth of a significant number of permanent full time jobs within the Town of Babylon, New York (the "Town"); and

WHEREAS, in order to induce such facilities within the Town it appears necessary to assist the Lessee and the Sublessee by taking legal title to the Facility so as to afford the Sublessee and the Lessee certain relief from mortgage recording taxation, relief from real property taxation and relief from sales and use taxation for a limited period; and

WHEREAS, it is contemplated that the 1110 Lessee or the current owner of the 1110 Facility will cause the transfer pursuant to a deed of the 1110 Facility to the Agency and the Agency will assist the Lessee and the Sublessee to undertake the Project and will lease the 1110 Facility to the 1110 Lessee pursuant to a Lease Agreement (the "1110 Lease Agreement"), by and between the 1110 Lessee and the Agency pursuant to which the 1110 Lessee agrees, among

other things, to make lease payments in such amounts as specified in the 1110 Lease Agreement and it is intended that the 1110 Lessee will sublease the 1110 Facility to the Sublessee pursuant to a Sublease Agreement (the "1110 Sublease Agreement"), by and between the 1110 Lessee and the Sublessee pursuant to which the Sublessee agrees, among other things, to make sublease payments in such amounts as specified in the Sublease Agreement which shall equal all amounts due to the Agency under the 1110 Lease Agreement; and

WHEREAS, it is contemplated that the 1110A Lessee or the current owner of the 1110A Facility will cause the transfer pursuant to a deed of the 1110A Facility to the Agency and the Agency will assist the 1110A Lessee and the Sublessee to undertake the Project and will lease the 1110A Facility to the 1110A Lessee pursuant to a Lease Agreement (the "1110A Lease Agreement" and collectively with the 1110 Lease Agreement, the "Lease Agreement"), by and between the 1110A Lessee and the Agency pursuant to which the 1110A Lessee agrees, among other things, to make lease payments in such amounts as specified in the 1110A Lease Agreement and it is intended that the 1110A Lessee will sublease the 1110A Facility to the Sublessee pursuant to a Sublease Agreement (the "1110A Sublease Agreement" and collectively with the 1110 Sublease Agreement, the "Lease Agreement"), by and between the 1110A Lessee and the Sublessee pursuant to which the Sublessee agrees, among other things, to make sublease payments in such amounts as specified in the Sublease Agreement which shall equal all amounts due to the Agency under the 1110A Lease Agreement; and

WHEREAS, pursuant to the Lease Agreement and the Sublease Agreement the Lessee and the Sublessee have agreed to make certain payments in lieu of real property taxes with respect to the Facility to the Agency; and

WHEREAS, the Agency has made certain findings and determinations in its inducement resolution regarding the Project adopted on May 24, 2011, which by this reference are adopted and confirmed as though made on the date hereof; and

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Lessee and the Sublessee in connection with the Project including exemption from mortgage recording taxes, real property taxes and sales and use taxes.

NOW, THEREFORE, BE IT DETERMINED, APPROVED AND RESOLVED by the members of the Agency as follows:

Section 1. (a) The Agency hereby finds and determines that (i) the Project constitutes a "Project" within the meaning of the Industrial Development Agency Act Article 18-A of the General Municipal Law of the State of New York (the "Act"); and (ii) the granting of mortgage recording tax abatements, real property tax abatements and sales and use tax abatements (collectively the "Financial Assistance") by the Agency with respect to the Facility pursuant to the Act, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Babylon, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act.

(b) It is desirable and in the public interest for the Agency to grant Financial Assistance to the Sublessee and the Lessee with respect to the Project.

(c) The Agency shall grant Financial Assistance in the form of state and local sales and use tax abatements not to exceed \$172,500 over a period of two years. In the event of the occurrence of a recapture event under the Lease Agreement, the Agency will pursue recapture of Financial Assistance as provided in the Lease Agreement.

Section 2. To accomplish the purposes of the Act, the Agency shall take legal title to the 1110 Facility, assist the 1110 Lessee and Sublessee to undertake the Project and lease the 1110 Facility to the 1110 Lessee pursuant to the 1110 Lease Agreement. The 1110 Lessee shall sublease the 1110 Facility to the Sublessee pursuant to the 1110 Sublease Agreement.

Section 3. To accomplish the purposes of the Act, the Agency shall take legal title to the 1110A Facility, assist the 1110A Lessee and Sublessee to undertake the Project and lease the 1110A Facility to the 1110A Lessee pursuant to the 1110A Lease Agreement. The 1110A Lessee shall sublease the 1110A Facility to the Sublessee pursuant to the 1110A Sublease Agreement.

Section 4. Pursuant to the Lease Agreement and Sublease Agreement, the Lessee or the Sublessee on behalf of the Lessee shall make certain payments in lieu of real property taxes ("Pilots") which would be otherwise due and payable with respect to the Facility.

Section 5. In order to provide the Lessee and the Sublessee with financial assistance with respect to exemption from New York State Sales and Use Taxes with respect to the Project the Agency shall issue to the Lessee and the Sublessee its Sales Tax Letter (the "Sales Tax Letter") which shall be used pursuant to the terms contained therein and in the Lease Agreement.

Section 6. In conjunction with the transfer title of the Facility to the Agency one or more existing mortgage loans made by Sun Life Assurance Company of Canada (or any other mortgage lender acceptable to the Chief Executive Officer ("CEO") of the Agency, the "Mortgagee"), will be assumed by the respective Lessee and in connection therewith such Lessee and the Agency have agreed to enter into one or more Amended and Restated Mortgage, Assignment of Leases and Rents and Security Agreement (the "Mortgage"), granted from the respective Lessee and the Agency to the Mortgagee in form acceptable to the CEO of the Agency and Counsel to the Agency.

Section 7. The form and substance of the 1110 Lease Agreement and the 1110A Lease Agreement in substantially the form previously approved by the Agency for other "straight lease" transactions is hereby approved.

Section 8. The form and substance of the Sublease Agreement in substantially the form previously approved for other "straight lease" transactions is hereby approved.

Section 9. Robert Stricoff, as CEO or any successor CEO or any other Authorized Representative, is hereby authorized, on behalf of the Agency, to execute and deliver final forms of the Lease Agreement, the Sales Tax Letter, the Mortgages and any other agreements or certificates consistent herewith (hereinafter collectively called the "Agency Documents"), all in substantially the forms previously executed by the Agency for other "straight lease" transactions acceptable to Agency Counsel, with such changes, variations, omissions and insertions in the Agency Documents as the CEO or any other Authorized Representative of the Agency shall

upon advice of counsel approve. The execution thereof by the CEO shall constitute conclusive evidence of such approval.

The CEO or any other Authorized Representatives are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives including the Chairman, the Secretary or Assistant Secretary of the Agency, to execute any Agency Documents or certificates of the Agency authorized pursuant to this Resolution and determine the terms of the Agency Documents.

The Secretary, Assistant Secretary or Counsel to the Agency is hereby authorized to attest to the CEO's or any other Authorized Representative's signature on the foregoing documents and to impress or affix the seal or facsimile seal of the Agency thereto to the extent required by any Agency Document.

Section 10. The CEO, the Chief Financial Officer ("CFO") of the Agency, the Chairman or the Secretary and any member of the Agency (as used in this resolution, the "Authorized Representatives") are hereby designated the authorized representatives of the Agency and each of them is hereby authorized and directed to cause the transactions as described in the Lease Agreement and the Sublease Agreement to be undertaken and in relation thereto, to execute and deliver any and all papers, instruments, agreements, opinions, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, and the Agency Documents including such changes or revisions in the forms of such documents as may be requested by counsel to the Agency.

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, agreements 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. All covenants, stipulations, obligations and agreements of the Agency contained in this resolution, and the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this resolution, and the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

Section 13. No covenant, stipulation, obligation or agreement contained in this resolution, or the Agency Documents shall be deemed to be a covenant, stipulation, obligation or

agreement of any member, officer, agent or employee of the Agency or the Town of Babylon in his or their individual capacity and neither the members of the Agency nor any officer shall be liable personally on the Agency Documents or be subject to any personal liability or accountability by reason of the execution thereof.

Section 14. The law firm Winston & Strawn LLP is hereby appointed transaction counsel to the Agency for this transaction.

Section 15. Notwithstanding the foregoing, the Agency will not grant any Financial Assistance (as such term is defined in the Act) in excess of \$100,000 to either of the Sublessee or the Lessee until the Agency has held a public hearing with respect to the Project in accordance with the provisions of the Act.

Section 16. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

The resolution was thereupon declared duly adopted.

Adopted: April 9, 2013

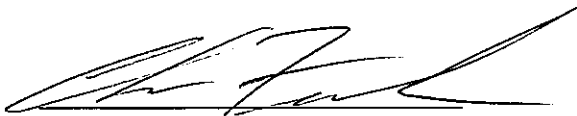
STATE OF NEW YORK)
) ss.:
COUNTY OF SUFFOLK)

I, Chris Ferencsik the duly elected, qualified Secretary of the Town of Babylon Industrial Development Agency (the "Agency"), hereby certify that:

1. The foregoing is a true, correct and complete copy of the record of proceedings of the Agency had and taken at a lawful meeting of the Agency held at the Law Office of John Braslow, 816 Deer Park Avenue, North Babylon, New York on April 9, 2013, commencing at the hour of 7:00 P.M., as recorded in the regular official book, of the proceedings of the Agency, those proceedings were duly had and taken as shown therein.

2. All members of the Agency and the public were duly notified of that meeting pursuant to law.

IN WITNESS WHEREOF, I have signed this certificate and affixed the seal of the Agency the 9th day of April, 2013.


Secretary

(SEAL)