

**RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO HTx SERVICES LLC, IN CONNECTION WITH THE RENOVATION AND EQUIPPING OF A WAREHOUSE, DISTRIBUTION AND SERVICING FACILITY**

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 (the "Town"); and

WHEREAS, representatives of HTx Services LLC, a limited liability company existing under the laws of the State of New York (the "Company") have filed or caused to be filed an application with the Agency concerning a project (the "Project") consisting of the leasehold acquisition, renovation and equipping of a 20,092 square foot portion (the "Facility"), of a 147,000 square foot warehouse facility (the "Project Building") located 110 Bi County Boulevard in Farmingdale, New York for use by the Company as a warehouse, maintenance, repair and distribution facility for use by the Company in its business of IT support and repair services and project work relating to IT equipment (including but not limited to ATM machines, desktop computers, servers, printers, scanners, and tablets check readers) for financing institutions, and storing spare parts for equipment repair; and

WHEREAS, in connection with a straight lease transaction (as defined in the Act) for the benefit of Catholic Health System of Long Island Inc. d/b/a Catholic Health Services of Long Island the Agency acquired a leasehold interest in the Project Building and the land upon which it is located (collectively, the "Premises") and the Owner leased the Premises to the Agency pursuant to an Owner Lease Agreement (the "Owner Lease") dated February 27, 2013 and the Agency subleased the Premises to the Owner pursuant to an Owner Sublease Agreement (the "Owner Sublease") dated February 27, 2013; and

WHEREAS, in connection with a straight lease transaction (as defined in the Act) for the benefit of Zwanger & Pesiri Radiology Group LLP a limited liability company existing under the laws of the State of New York, the Agency and the Owner further amended the Owner Lease and Owner Sublease on December 23, 2013; and

WHEREAS, in connection with a straight lease transaction (as defined in the Act) for the benefit of National Computer Liquidators, Inc. D/B/A The IT Asset Management Group, a corporation organized and existing under the laws of the State of New York, the Agency and the Owner amended the Owner Lease and Owner Sublease on October 9, 2015; and

WHEREAS, in order to induce said facilities within the Town for the benefit of the Company it appears necessary to assist the Company by further amending the Owner Lease and Owner Sublease so as to afford the Company certain relief from real property taxation for a limited period;

WHEREAS, in order to induce the Company to locate jobs in the Town it further appears necessary for the Agency to assist the Company by taking sub-leasehold title to the Facility so as to afford the Company certain relief from real property taxation, and relief from New York State and local sales and use taxation with respect to the Facility for a limited period; and

WHEREAS, the Company currently maintains operations located at 70 Corporate Drive in Hauppauge, New York 11788 (the "Existing Facilities"), which Existing Facilities are in excess of the Company's needs and undertaking the Project and relocating its operations to the Facility will enable the company to right-size its space needs which will optimize the cost structure of the Company and permit it to be more competitive in its market place and such relocation to the Facility is necessary for the Company to preserve the competitive position of the Company in its industry and without such relocation, the Company may relocate its facilities outside of Long Island; and

WHEREAS, it is contemplated (i) that the Owner will sublease the Facility to the Company pursuant to a certain Agreement of Lease, between the Owner and the Company (the "Prime Lease"); (ii) that the Company will further lease the Facility to the Agency pursuant to a Company Lease Agreement (the "Company Lease Agreement") between the Company and the Agency, and (iii) that the Agency will further sub-sublease the Facility to the Company pursuant to a Lease and Project Agreement (the "Lease Agreement") between the Agency and the Company; and

WHEREAS, pursuant to the Owner Sublease, the Owner has agreed to make certain payments in lieu of real property taxes with respect to the Premises to the Agency; and

WHEREAS, pursuant to the Lease Agreement, the Company has agreed to make certain payments in lieu of real property taxes with respect to the Facility to the Agency; and

WHEREAS, in connection with the Agency's evaluation of the Project for the provision of financial assistance, the Agency has (i) assessed all material information relating to the project included in the Company's project application (the "Project Application") in order to afford a reasonable basis for the decision of the Agency to provide financial assistance to the Project; (ii) reviewed the Agency's written cost benefit analysis for the Project which identifies the extent to which (A) the Project will create or retain permanent, private sector jobs; (B) the estimated value of any tax exemption to be provided to the Project, (C) the amount of private sector investment generated or likely to be generated by the Project; (D) reviewed the likelihood of accomplishing the proposed project in a timely fashion; and (E) considered the extent to which the Project will provide additional sources of revenue for the Town and the school district where the Facility is located; and

WHEREAS, in connection with the adoption of this resolution the Agency has reviewed the Project Application and the Company has confirmed in such Project Application that as of the date of the Projection Application, the Company is in substantial compliance with the Act; and

WHEREAS, representatives of the Agency held a public hearing with respect to the Project on October 20, 2020 and a transcript of such hearing has been presented to the members of the Agency; and

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Company in connection with the Project and the Facility including exemption from real property taxes and sales and use taxes; and

WHEREAS, there has been submitted to the Agency an environmental assessment form with respect to this proposed action in accordance with the State Environmental Quality Review Act and the regulations promulgated thereunder ("SEQRA") and the Project constitutes a Type II or Unlisted Action under SEQRA.

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

Section 1. With respect to the Agency's evaluation criteria for Manufacturing, Warehousing and Distribution Projects the Agency makes the following determinations:

- (a) It has reviewed the information in the Cost Benefit Analysis with respect to the Project.
- (b) The Company proposes a capital investment which includes renovation of the Facility and equipment purchases and installation at the Facility of approximately \$425,000.
- (c) The Project will not have significant impact from local labor construction in the Town.
- (d) The Facility will employ 49 full time equivalent employees. The average annual salary of employees at the Facility is approximately \$207,000 for management employees, \$115,154 for supervisory employees, \$90,864 for professional employees, \$62,379 for administrative employees, and \$50,502 for laborers not including fringe benefits.
- (e) The Project will not have a significant effect on in-region purchases or research and development.
- (f) The Project will support high-tech industry in the Long Island region.
- (g) The Project will not have a significant effect on energy efficiency.
- (h) Without the grant of financial assistance to the Company, it may relocate its facilities outside of Long Island.

Section 2. Based on the evaluation of the foregoing evaluation criteria,

(a) the Agency hereby finds and determines that (i) the Project constitutes a "Project" within the meaning of the Act; (ii) the Project is necessary for the Company to maintain its competitive position in its industry and to prevent the Company from relocating its facilities outside of New York State and (iii) the granting of real property tax abatements and New York State and local 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 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 Company with respect to the Project.

(c) The Agency shall grant Financial Assistance to the Company in the form of New York State and local sales and use tax abatements in a maximum amount not to exceed \$21,563 as provided in Section 5.2 of the Lease Agreement and in the event of the occurrence of a recapture event under the Lease Agreement the Agency will pursue recapture of the Financial Assistance as provided in Section 5.4 of the Lease Agreement.

Section 3. To accomplish the purposes of the Act, it is contemplated (i) that the Owner will sublease the Facility to the Company pursuant to the Prime Lease; (ii) that the Company will further sublease the Facility to the Agency pursuant to the Company Lease Agreement, and (iii) that the Agency will further sub-sublease the Facility to the Company pursuant to the Lease Agreement.

Section 4. To accomplish the purposes of the Act, the Agency shall amend the Owner Lease and the Owner Sublease (collectively the "Amendment") to account for the Project.

Section 5. Pursuant to the Owner Sublease, the Owner has agreed to make certain payments in lieu of real property taxes with respect to the Premises to the Agency and pursuant to the Lease Agreement the Company on behalf of the Owner shall make certain payments in lieu of real property taxes ("Pilots") which would be otherwise due and payable with respect to the Facility.

Section 6. In order to provide the Company with financial assistance with respect to exemption from New York State and local sales and use taxes with respect to the Project the Agency may issue one or more Sales Tax Agent Authorization Letters ("Sales Tax Authorization Letters") which shall be used pursuant to the terms contained therein and in the Lease Agreement.

Section 7. The form and substance of the 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 Company Lease in substantially the form previously executed for other "straight lease" transactions is hereby approved.

Section 9. The Owner Lease, as amended, in form acceptable to the Chief Executive Officer and counsel to the Agency is hereby approved.

Section 10. The Owner Sublease, as amended, in form acceptable to the Chief Executive Officer and counsel to the Agency is hereby approved.

Section 11. The CEO of the Agency or any successor CEO of the Agency or any other authorized representative including the CFO, is hereby authorized, on behalf of the Agency, to execute and deliver final forms of the Company Lease, Lease Agreement, amendments to the Owner Lease and the Owner Sublease, Sales Tax Agent Authorization Letters, 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 the CFO of the Agency or any other authorized representative of the Agency shall upon advice of counsel approve. The execution thereof by the CEO or the CFO of the Agency or any other authorized representative shall constitute conclusive evidence of such approval.

The CEO or CFO of the Agency or any other authorized representative 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, the CFO'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.

Section 12. The CEO of the Agency, the CFO of the Agency or any other authorized representative including 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 Company Lease, 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 13. 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 14. 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 15. 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 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 16. The law firm Katten Muchin Rosenman LLP is hereby appointed transaction counsel to the Agency for this transaction.

Section 17. Notwithstanding the foregoing, the Agency will not grant any Financial Assistance to be granted hereunder in excess of \$100,000 to the Company until the Agency has held a public hearing with respect to the grant of financial assistance in accordance with the provisions of the Act.

Section 18. This resolution shall take effect immediately.

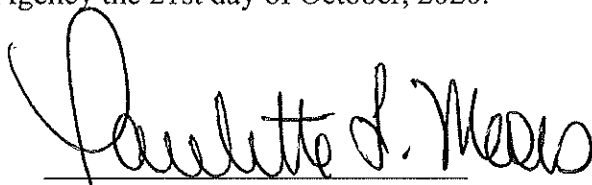
STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF SUFFOLK )

I, Paulette H. Moses, 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 remotely through a video conference link and a call-in number pursuant to Executive Order 202.1 (2020), issued by the Governor of the State of New York on October 21, 2020, commencing at the hour of 8:00 A.M., as recorded in the regular official book of the proceedings of the Agency, those proceedings were duly had and taken as shown therein, the meeting shown therein was duly held, and the persons named therein were present at that meeting 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 21st day of October, 2020.

  
Secretary

(SEAL)