

**RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO MSM REALTY CO., LLC, DAVRICK, LLC AND SHOLOM BLAU CO., LLC, D/B/A 123 SMITH STREET TENANTS IN COMMON, AND ICON LABORATORIES, INC. IN CONNECTION WITH THE ACQUISITION, RENOVATION AND EQUIPPING BY OF A 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, to accomplish the purposes of the Act, the Agency entered into a Straight Lease (as defined in the Act) with the MSM Realty Co., LLC, Davrick, LLC and Sholom Blau Co., LLC, each a limited liability company organized and existing under the laws of the State of New York, and d/b/a 123 Smith Street Tenants In Common (the "Sublandlord") and ICON Laboratories, Inc. (the "Company"), for the acquisition of a "project" within the meaning of the Act (the "Initial Project") within the territorial boundaries of the Town of Babylon, New York (the "Town") and located on that certain approximately 10.5 acre lot, piece or parcel of land (the "Premises") generally known as and located 123 Smith Street in Farmingdale, New York and, in furtherance of such purposes, on November 12, 2002 the Agency adopted a resolution authorizing the undertaking of the Initial Project; and approximately 10.5 acre lot, piece or parcel of land generally known as and located at 123 Smith Street in Farmingdale, New York

WHEREAS, the Initial Project consisted of the acquisition of an office, warehouse and distribution facility and certain machinery and equipment relating thereto consisting of the acquisition of real property and an approximately 115,000 square foot building located thereon (the "Facility"), all for use as the Company's corporate headquarters and clinical laboratories in its business of testing biological human specimens and assembling kit boxes; and

WHEREAS, the (i) Sublandlord conveyed to the Agency the Premises pursuant to a deed (the "Deed") dated as of December 3, 2002 (the "Original Closing Date"); (ii) the Agency is presently the owner of the Premises and had leased the Facility to the Sublandlord pursuant to Sublandlord pursuant to an Overlease Agreement dated the Original Closing Date (the "Original Overlease Agreement"), by and between the Sublandlord and the Agency; (ii) that the Sublandlord sublet the Facility to the Company pursuant to a certain Agreement of Lease, between the Sublandlord and the Company (the "Original Prime Lease"); (iii) that the Company further sublete the Facility to the Agency pursuant to a Company Lease Agreement (the "Original Company Lease Agreement") and (iv) that the Agency further sub-sublet the Facility to the Company pursuant to a Lease Agreement (the "Original Lease Agreement") between the Agency and the Company

WHEREAS, pursuant to a project application dated September 11, 2013 the Sublandlord has requested financial assistance for a new project with respect to the Facility to include capital improvements to be incorporated into the Facility (the "New Project"); and

WHEREAS, to facilitate the New Project, the Agency and the Sublandlord have entered into negotiations to enter into a modification of the "straight lease transaction" within the meaning of the Act in which the Agency will grant financial assistance to the Sublandlord and the Company for the New Project, all for use by the Company, as a clinical laboratory, and Marken, Ltd., as a depot space for its pharmaceutical logistics company; and

WHEREAS, representatives of the Sublandlord and the Company have indicated that the Company currently employs approximately 275 Full Time and 10 Part Time Employees in the Town of Babylon, that the Company is considering relocating outside of the Town of Babylon to preserve the competitive position of the Company in its industry and, based on our review of the application, the New Project and the Facility will result in the retention and growth of a substantial number of permanent full time jobs within the Town of Babylon over the next years;

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

WHEREAS, it is contemplated that the Agency will assist the Sublandlord and the Company to undertake the New Project and, to the extent necessary, (i) the Agency will lease the Facility to the Sublandlord pursuant to an Overlease Agreement (the "Overlease Agreement"), by and between the Sublandlord and the Agency; (ii) that the Sublandlord will sublease the Facility to the Company pursuant to a certain Agreement of Lease, between the Sublandlord and the Company (the "Prime Lease"); (iii) that the Company will further sub-sublease the Facility to the Agency pursuant to a Company Lease Agreement (the "Company Lease Agreement") and (iv) that the Agency will further sub-sublease the Facility to the Company pursuant to a Lease Agreement (the "Lease Agreement") between the Agency and the Company; and

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

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Sublandlord and the Company in connection with the New 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 New 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 Company and the Sublandlord with respect to the New Project.

(c) The Agency shall grant Financial Assistance in the form of state and local sales and use tax abatements and 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 continue to hold legal title to the Facility, assist the Sublandlord and Company to undertake the New Project and lease the Facility to the Sublandlord pursuant to the Overlease Agreement. The Sublandlord shall sublease the Facility to the Company pursuant to the Prime Lease. The Company shall sub-sublease the Facility to the Agency pursuant to a Company Lease Agreement and the Agency shall further sub-sublease the Facility to the Company pursuant to a Lease Agreement.

Section 3. Pursuant to the Overlease Agreement, the Company Lease Agreement and the Lease Agreement, the Sublandlord or the Company on behalf of the Sublandlord shall make certain payments in lieu of real property taxes (“Pilots”) which would be otherwise due and payable with respect to the Facility.

Section 4. In order to provide the Sublandlord and the Company with financial assistance with respect to exemption from New York State and local Sales and Use Taxes with respect to the New Project the Agency shall issue to the Sublandlord and the Company its Sales Tax Letter (the “Sales Tax Letter”) which shall be used pursuant to the terms contained therein and in the Lease Agreement.

Section 5. The form and substance of the Overlease Agreement in substantially the form previously approved by the Agency for other “straight lease” transactions is hereby approved.

Section 6. The form and substance of the Company Lease Agreement in substantially the form previously approved by the Agency for other “straight lease” transactions is hereby approved.

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

Section 8. 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 Overlease Agreement, the Company Lease Agreement, the Lease Agreement, the Sales Tax Letter 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.

Section 9. 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 10. 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 11. 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 12. 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 13. The law firm Winston & Strawn LLP is hereby appointed transaction counsel to the Agency for this transaction.

Section 14. 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 Company or the Sublandlord until the Agency has held a public hearing with respect to the New Project in accordance with the provisions of the Act.

Section 15. 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: December 3, 2013

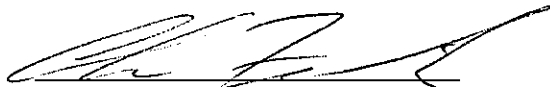
STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF SUFFOLK )

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 December 3, 2013, commencing at the hour of 12:00 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 3rd day of December, 2013.

  
Secretary

