

AGENDA

March 20, 2024

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Resolution # 1

Accept the minutes from the IDA/IDC Board Meeting of February 21, 2024.

5. Resolution # 2

Accept the minutes from the Greak Neck Chemists, Inc. of N.Y./ Precision Compounding Pharmacy & Wellness Inc. public hearing on March 19, 2024.

6. Resolution # 3

Accept the minutes from the D'Addario & Company, Inc./ Rico Corporation/ D'Addario Realty Company/ NYXL Realty, LLC/ XPND Realty Company LLC. Public hearing on March 19, 2024.

7. Resolution # 4

Resolution granting approval of and authorizing the grant of certain financial assistance by the Town of Babylon Industrial Development Agency to XPND Realty Company LLC, NYXL Realty, LLC, Rico Corporation, D'Addario Realty Company, LLC and D'Addario & Company, Inc. in connection with the acquisition, construction, renovation and equipping of manufacturing, warehouse and distribution facilities.

8. Resolution # 5

Resolution authorizing the Town of Babylon Industrial Development Agency to execute a mortgage agreement between the Agency, 465 Smith St., LLC and VNB New York, LLC, in an amount not to exceed \$3,500,000.00.

9. Resolution # 6

Resolution of the Town of Babylon Industrial Development Agency determining that the acquisition, renovation, construction, reconstruction and equipping of a certain project will not have a significant adverse effect on the environment.

10. Resolution # 7

Resolution of the Town of Babylon Industrial Development Agency approving the acquisition, renovation, construction, reconstruction and equipping of a certain facility for Great Neck Chemists, Inc. of N.Y., Precision Compounding Pharmacy & Wellness Inc., 69 Allen Boulevard LLC and 61-65 Allen Boulevard LLC and approving the form, substance and execution of related documents and determining other matters in connection therewith.

11. Chief Executive Officer's report

12. Old Business

13. New Business

14. Adjournment

BABYLON INDUSTRIAL DEVELOPMENT AGENCY

IDA/IDC MEETING MINUTES

February 21, 2024

Present: Tom Gaulrapp, Chairman
Justin Belkin, Vice Chairman
Rosemarie Dearing
Marcus Duffin
William Bogardt
William Celona
Vincent Piccoli

Absent: Paulette LaBorne
Carol Quirk

Also Present: Thomas Dolan, TOBIDA Chief Executive Officer
Gregory Heilbrunn, Special Projects Manager
Alyson McDonough, Executive Assistant
Andrew Berger, Special Projects Advisor
William Wexler, Agency Counsel
Joseph Ninomiya, LDCII Chief Executive Officer
Antonio Martinez, TOB Deputy Supervisor

A quorum being present, the meeting was called to order at 8:02 A.M.

A motion was made by Rosemarie Dearing and seconded by William Bogardt to appoint Justin Belkin as secretary pro tempore for the meeting. All in favor, motion carries.

A motion was made by William Bogardt and seconded by Marcus Duffin in favor of a resolution to accept the minutes from the January 24, 2024 IDA/IDC Board meeting. All in favor, motion carries.

A motion was made by Vincent Piccoli and seconded by William Celona in favor of a resolution to accept the minutes from the Alegria North, LLC Public Hearing of February 20, 2024. All in favor, motion carries.

A motion was made by Vincent Piccoli and seconded by Rosemarie Dearing in favor of a resolution amending the resolution of the Town of Babylon Industrial Development Agency dated January 24, 2024 to provide for the Agency to continue to hold fee title to the property located at 201, 211, 215 and 301 Henry Street in Lindenhurst, New York for the benefit of Visual Citi, Inc. All in favor, motion carries.

CEO Report

Mr. Dolan thanked the Agency staff for their hard work in collecting the year-end reports from clients, and the PILOT billing and distribution process. Mr. Dolan then discussed how the Agency is again supporting the Hometown Heroes Banner Program by partnering with the Town of Babylon, The Kiwanis Club of Lindenhurst, the Village of Lindenhurst, and the Village of Amityville. Mr. Dolan explained how the program allows families of veterans to display banners of them on lamp posts throughout some of the Town's downtown regions between Memorial Day and Veterans Day. The Agency is in the process of contacting local business leaders and asking them to donate for veterans who no longer have family and for the families which do not have the funds to put up a banner. Mr. Dolan added that the Agency has also previously supported events like The Wall That Heals and the Wounded Warrior Soldier Drive, which was well received by the business community.

Old Business

No old business

New Business

No new business.

A motion was made by William Bogardt and seconded by Rosemarie Dearing to adjourn the meeting. All in favor, motion carries.

Town of Babylon Industrial Development Agency
Public Hearing for Great Neck Chemists, Inc. of N.Y. /
Precision Compounding Pharmacy & Wellness Inc.

March 19, 2024

Present: Thomas Dolan, TOBIDA Chief Executive Officer
Gregory Heilbrunn, Special Projects Manager

No one from the public was in attendance.

The public hearing was called to order by Thomas Dolan at 1:00 P.M.

Thomas Dolan read an excerpt of the public hearing notice that was published in the Nassau and Suffolk Editions of Newsday on Saturday, March 9, 2024. There were no requests to speak.

The public hearing was closed by Thomas Dolan at 1:07 P.M.

Town of Babylon Industrial Development Agency
Public Hearing for D'Addario & Company, Inc.

March 19, 2024

Present: Thomas Dolan, TOBIDA Chief Executive Officer
Gregory Heilbrunn, Special Projects Manager

No one from the public was in attendance.

The public hearing was called to order by Thomas Dolan at 1:30 P.M.

Thomas Dolan read an excerpt of the public hearing notice that was published in the Nassau and Suffolk Editions of Newsday on Saturday, March 9, 2024. There were no requests to speak.

The public hearing was closed by Thomas Dolan at 1:35 P.M.

RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO XPND REALTY COMPANY LLC, NYXL REALTY, LLC, RICO CORPORATION, D’ADDARIO REALTY COMPANY, LLC AND D’ADDARIO & COMPANY, INC., IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF MANUFACTURING, WAREHOUSE AND DISTRIBUTION FACILITIES

WHEREAS, the Town of Babylon Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York (the “State”), 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, New York (the “Town”); and

WHEREAS, the Agency has previously entered into certain straight lease transactions (as that term is defined under the Act) with each of (i) D’Addario & Company, Inc. (the “Company”), a corporation organized and existing under the laws of the State of New York, (ii) Minmilt Realty Corp. (“Minmilt Realty”), a corporation organized and existing under the laws of the State of New York, (iii) D’Addario Realty Company LLC (“D’Addario Realty”), a limited liability company organized and existing under the laws of the State of New York, (iv) NYXL Realty, LLC (“NYXL”), a limited liability company organized and existing under the laws of the State of New York, and (v) XPND Realty Company LLC (“XPND”), a limited liability company organized and existing under the laws of the State of New York, in order to provide financial assistance with respect to certain projects (the “Original Projects”) located at the Facilities (defined below) consisting of the acquisition, construction, demolition, reconstruction and/or renovation of manufacturing, warehouse and distribution facilities and the installation of certain equipment and personal property thereon all for use by the Company in its business as a manufacturer of musical instrument accessories; strings for musical instruments, drumsticks, drumheads, reeds and mouthpieces for clarinets and saxophones as well as other accessory products; and

WHEREAS, representatives of (i) the Company, (ii) Rico Corporation (“Rico”), a corporation organized and existing under the laws of the State of California, (iii) D’Addario Realty, (iv) NYXL, and (v) XPND, or any other real estate holding entity formed by the principals of the Company (collectively, the “Owners”) have filed or caused to be filed an application with the Agency concerning a new project (the “Project”) consisting of (i) with respect to Rico, the acquisition, renovation and equipping of an approximately 46,025 square foot manufacturing, warehouse and distribution facility located at 540 Smith Street (the “Rico Facility”); (ii) with respect to D’Addario Realty, certain renovations and equipment expenditures to be undertaken at a 107,462 square foot manufacturing facility located at 595 Smith Street (the “D’Addario Realty Facility”); (iii) with respect to NYXL, the renovation and equipping of (A) an approximately 21,895 square foot manufacturing, warehouse and distribution facility located at 525 Smith Street and (B) an approximately 18,892 square foot manufacturing, warehouse and distribution facility located at 535 Smith Street (collectively the “NYXL Facility”); (iv) with respect to the Company, the renovation, equipping and construction of an approximately 14,700 square foot addition to a manufacturing, warehouse, distribution and printing facility located at 590 Smith Street, (the

“D’Addario Inc. Facility”); and (v) with respect to XPND, the renovation and equipping of a an approximately 21,907 square foot manufacturing, warehouse and distribution facility located at 160 Finn Court (the “XPND Facility” and together with the Rico Facility, the D’Addario Realty Facility, the NYXL Facility and the D’Addario Inc. Facility, collectively, the “Facilities”), all for use by the Company in its business as a manufacturer of musical instrument accessories; strings for musical instruments, drumsticks, drumheads, reeds and mouthpieces for clarinets and saxophones as well as other accessory products; and

WHEREAS, in order to induce the Company and the Owners to retain and grow additional jobs in the Town, it appears necessary for the Agency to assist the Company and the Owners by taking leasehold title to the Facilities so as to afford the Company and the Owners of certain relief from real property taxation, sales and use taxation and mortgage recording taxation (if any) with respect to the Facilities; and

WHEREAS, it is contemplated that the Agency will (A) (i) with respect to the Rico Facility, transfer by deed the land and the improvements thereon to Minmilt Realty, (ii) with respect to the D’Addario Realty Facility, transfer by deed the land and the improvements thereon to D’Addario Realty and (iii) with respect to the D’Addario Inc. Facility, transfer by deed the land and the improvements thereon to the Company, (B) the Owners will cause or continue the lease of the Facilities to the Agency each pursuant to a Company Lease Agreement or an Amended and Restated Company Lease Agreement (collectively, the “Company Leases”) and the Agency will assist the Owners to undertake the Project and will cause or continue the lease or sublease of the Facilities to the Owners each pursuant to a Lease and Project Agreement or an Amended and Restated Lease and Project Agreement (collectively, the “Lease Agreements”), by and between each of the Owners and the Agency pursuant to which the Owners agree, among other things, to make lease payments in such amounts as specified in the Lease Agreements; and

WHEREAS, it is further contemplated that XPND, D’Addario Realty, NYXL and Rico will each cause or continue to sublease the XPND Facility, the D’Addario Realty Facility, the NYXL Facility and the Rico Facility, respectively, to the Company each pursuant to a separate Sublease Agreement or Amended and Restated Sublease Agreement (collectively, the “Sublease Agreements”) by and between each of XPND, D’Addario Realty, NYXL and Rico respectively and the Company pursuant to which the Company agrees, among other things, to make sublease payments in such amounts as equal to lease rentals as specified in the Lease Agreements; and

WHEREAS, pursuant to the Lease Agreements the Owners have agreed to make certain payments in lieu of real property taxes, with respect to the Facilities, 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 Facilities are 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 Project Application, as amended, the Owners are in substantial compliance with the Act; and

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Owners and the Company in connection with the Project and the Facilities including exemption from New York State and local Sales and Use Taxes, mortgage recording taxes (if any) and real property taxes.

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/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 Owners proposes a capital investment in the land, building renovation, machinery and equipment and capital improvements in the Facilities of approximately \$15,781,352.
- (c) The wage rates for the approximately seven hundred and thirty-six (736) full-time employees at the Facilities average \$206,712 per year for management positions, \$111,613 per year for professional positions, \$53,106 per year for administrative positions, \$39,839 per year for production positions, \$84,033 per year for supervisor positions and \$40,328 per year for other positions.
- (d) The Project will not have significant impact from local labor construction in the Town.
- (e) The Company sells its products both domestically and internationally throughout the U.S., Asia and Europe and the Project will have a positive impact on regional wealth creation.
- (f) The Project will not have a significant effect on in-region purchases.
- (g) The Project will create further research and development opportunities at the Company with respect to its manufacture of musical instrument strings and related accessories.
- (h) The Project will not have a significant effect on energy efficiency.
- (i) The Project will not materially affect existing land use or zoning.

(j) The Project is important to the retention of a significant employer of the Town. The Company currently employs seven hundred and thirty-six (736) full-time equivalent employees and will create an additional sixty (60) full-time equivalent jobs within the Town by the first anniversary of the completion of the Project. The Company manufactures its ProMark drumsticks at its Houston, Texas, facility and reeds and mouthpieces at its California manufacturing plant. Besides being approached by representatives from Texas, it has had discussions with representatives from Tennessee and North Carolina to relocate and/or consolidate its operations and corporate offices in foregoing respective jurisdictions. Securing benefits for the Project will allow the Company to relocate its California based woodwinds manufacturing facility to the Town, grow its business, keep ahead of its domestic and international competitors and enhance its footprint in the Town.

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, sales and use tax abatements and mortgage recording tax abatements (if any) (collectively, the “Financial Assistance”) by the Agency with respect to the Facilities pursuant to the Act, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town and the State 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 the Financial Assistance to the Owners with respect to the Project and the Facilities.

(c) The Agency shall grant Financial Assistance to the Owners in the form of New York State and local Sales and Use Tax abatements in a maximum amount not to exceed \$60,375 as provided in Section 5.2 of the Lease Agreements and in the event of the occurrence of a recapture event under the Lease Agreements the Agency will pursue recapture of the Financial Assistance as provided in Section 5.4 of the Lease Agreements.

Section 3. To accomplish the purposes of the Act, the Agency shall take or continue to hold leasehold title to each of the Facilities pursuant to the Company Leases, assist the Owners to undertake the Project and sublease or continue to sublease the Facilities to the Owners pursuant to the Lease Agreements and each of XPND, D’Addario Realty, NYXL and Rico will further sub-sublease or continue to sub-sublease the XPND Facility, the D’Addario Realty Facility, the NYXL Facility and the Rico Facility, respectively, to the Company pursuant to the Sublease Agreements.

Section 4. Pursuant to the Lease Agreements, the Owners will make certain payments in lieu of real property taxes which would be otherwise due and payable with respect to the Facilities.

Section 5. In order to provide the Owners and 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 Agreements.

Section 6. In order to secure amounts to be loaned by any mortgage lender acceptable to the Chief Executive Officer (“CEO”) or the Chief Financial Officer (“CFO”) of the Agency to the Company with respect to the financing or refinancing of the Facilities, the Agency hereby authorizes the execution of one or more mortgages (if any) (collectively, the “Mortgages”) granted at the initial closing of the “straight lease” transaction or any time thereafter during the term of the Lease Agreements, from the Agency and the Owners to any mortgage lender acceptable to the CEO or the CFO of the Agency or any other authorized representative, in form acceptable to the CEO or CFO of the Agency or any other authorized representative and counsel to the Agency.

Section 7. The Agency is hereby authorized to (i) with respect to the Rico Facility, transfer by deed the land and the improvements thereon to Minmilt Realty, (ii) with respect to the D’Addario Realty Facility, transfer by deed the land and the improvements thereon to D’Addario Realty and (iii) with respect to the D’Addario Inc. Facility, transfer by deed the land and the improvements thereon to the Company.

Section 8. The form and substance of the Company Leases in substantially the form previously executed for other “straight lease” transactions is hereby approved.

Section 9. The form and substance of the Lease Agreements in substantially the form previously executed for other “straight lease” transactions is hereby approved.

Section 10. The form and substance of the Sublease Agreements in substantially the form previously approved by the Agency for other “straight lease” transactions is hereby approved.

Section 11. Thomas E. Dolan, as CEO of the Agency 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 Company Leases, Lease Agreements, Mortgages, Sales Tax Agent Authorization Letters, deeds 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 or any other Authorized Representative of the Agency 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 Leases, the Lease Agreements and the Sublease Agreements 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 Owners 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.

RESOLUTION AUTHORIZING THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE A MORTGAGE AGREEMENT BETWEEN THE AGENCY, 465 SMITH ST., LLC AND VNB NEW YORK, LLC, IN AN AMOUNT NOT TO EXCEED \$3,500,000.00

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;

WHEREAS, the Agency and 465 SMITH ST., LLC (the “Company”) have prior to the date hereof entered into a Lease Agreement (the “Lease Agreement”) dated April 25, 2018, pursuant to which the Agency and the Company agreed that the Company would receive the benefit of certain sales and use tax exemptions and certain real property tax exemptions in connection with the facility located at 465 Smith Street, Farmingdale, New York 11735.

WHEREAS, the Company desires the Agency to execute a Mortgage Agreement between the Agency, 465 SMITH ST., LLC and VNB NEW YORK, LLC in the principal sum not in excess of \$3,500,000.00.

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

Execution by the Agency of a Mortgage Agreement between the Agency, 465 SMITH ST., LLC and VNB NEW YORK, LLC is hereby approved in a sum not to exceed \$3,500,000.00.

Section 1. Thomas E. Dolan, as Chief Executive Officer or any successor Chief Executive Officer (the “Chief Executive Officer”) or any other Authorized Representative, is hereby authorized, on behalf of the Agency, to execute and deliver any other agreements or certificates consistent herewith or therewith (hereinafter collectively called the “Agency Documents”), all in form acceptable to the Chief Executive Officer and Counsel to the Agency, with such changes, variations, omissions, and insertions in the Agency Documents as the Chief Executive Officer or any other Authorized Representative of the Agency shall upon advice of counsel approve. The execution and delivery thereof by the Chief Executive Officer shall constitute conclusive evidence of such approval.

The Chief Executive Officer or any other Authorized Representatives are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives including the Chairman and the 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 or Counsel to the Agency is hereby authorized to attest to the Chief Executive Officer'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 2. The Chief Executive Officer, the Chief Financial Officer, 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 herein 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 3. 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 4. 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 5. No covenant, stipulation, obligation or agreement contained in this resolution, or the Agency Documents shall be deemed to be 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 6. This resolution shall take effect immediately.

RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION, CONSTRUCTION, RECONSTRUCTION AND EQUIPPING OF A CERTAIN FACILITY FOR GREAT NECK CHEMISTS, INC. OF N.Y., PRECISION COMPOUNDING PHARMACY & WELLNESS INC., 69 ALLEN BOULEVARD LLC AND 61-65 ALLEN BOULEVARD LLC AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Town of Babylon Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 177 of the Laws of 1973 of New York, as amended, constituting Section 907-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of, among others, manufacturing, warehousing, research, commercial or industrial facilities, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, pursuant to an application (the “Application”) submitted to the Agency by Great Neck Chemists, Inc. of N.Y. (the “Parcel 1 Operating Company”), Precision Compounding Pharmacy & Wellness Inc. (the “Parcel 2 Operating Company” and, together with the Parcel 1 Operating Company, the “Operating Companies”), 69 Allen Boulevard LLC (the “Parcel 1 Real Estate Holding Company”) and 61-65 Allen Boulevard LLC (the “Parcel 2 Real Estate Holding Company” and, together with the Parcel 1 Real Estate Holding Company, the “Real Estate Holding Companies”), on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, the Operating Companies and the Real Estate Holding Companies have requested that the Agency undertake a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in approximately 0.51 acres of real estate located at 69 Allen Boulevard, Farmingdale (Tax Map #0100-095.00-03.00-007.000) in the Town of Babylon, Suffolk County, New York (the “Parcel 1 Land”), the renovation of an existing approximately 10,000 square foot building located on the Parcel 1 Land (the “Parcel 1 Improvements”), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Parcel 1 Equipment (as such term is defined herein) (the “Parcel 1 Facility Equipment”; and, together with the Parcel 1 Land and the Parcel 1 Improvements, the “Parcel 1 Company Facility”), which Parcel 1 Company Facility is to be leased and subleased by the Agency to the Parcel 1 Real Estate Holding Company and further subleased by the Parcel 1 Real Estate Holding Company to the Parcel 1 Operating Company; (2) the acquisition and installation of certain equipment and personal property (the “Parcel 1 Equipment” and, together with the Parcel 1 Company Facility, the “Parcel 1 Facility”), which Parcel 1 Facility will be used by the Parcel 1 Operating Company as a distribution facility and related uses for its business of pharmaceutical distribution, including to long-term care facilities; (3) the acquisition of an interest in approximately 0.51 acres of real estate located at 61-

65 Allen Boulevard, Farmingdale (Tax Map #0100-095.00-03.00-006.000) in the Town of Babylon, Suffolk County, New York (the “Parcel 2 Land”; and, together with the Parcel 1 Land, the “Land”), the renovation of an existing approximately 10,000 square foot building located on the Parcel 2 Land (the “Parcel 2 Improvements”), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Parcel 2 Equipment (as such term is defined herein) (the “Parcel 2 Facility Equipment”; and, together with the Parcel 2 Land and the Parcel 2 Improvements, the “Parcel 2 Company Facility” and, together with the Parcel 1 Company Facility, the “Company Facilities”), which Parcel 2 Company Facility is to be leased and subleased by the Agency to the Parcel 2 Real Estate Holding Company and further subleased by the Parcel 2 Real Estate Holding Company to the Parcel 2 Operating Company; and (4) the acquisition and installation of certain equipment and personal property (the “Parcel 2 Equipment” and, together with the Parcel 2 Company Facility, the “Parcel 2 Facility”; the Parcel 1 Facility and the Parcel 2 Facility, together, the “Facility”), which Parcel 2 Facility will be used by the Parcel 2 Operating Company as a manufacturing and distribution facility and related uses for its business as a manufacturer and distributor of specialty compounding pharmaceuticals and medication; (B) the granting of certain “financial assistance” (within the meaning of section 854(14) of the Act) with respect to the foregoing limited to potential exemptions from certain sales and use taxes, transfer taxes, mortgage recording taxes (except as limited by Section 874 of the Act) and real property taxes (collectively, the “Financial Assistance”); and (C)(1) the lease (with an obligation to purchase) or sale of the Parcel 1 Company Facility to the Parcel 1 Real Estate Holding Company or such other person as may be designated by the Parcel 1 Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Parcel 1 Equipment to the Parcel 1 Operating Company or such other person as may be designated by the Parcel 1 Operating Company and agreed upon by the Agency; and (2) the lease (with an obligation to purchase) or sale of the Parcel 2 Company Facility to the Parcel 2 Real Estate Holding Company or such other person as may be designated by the Parcel 2 Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Parcel 2 Equipment to the Parcel 2 Operating Company or such other person as may be designated by the Parcel 2 Operating Company and agreed upon by the Agency; and

WHEREAS, representatives of the Real Estate Holding Companies and the Operating Companies have indicated that the Project will result in the growth of permanent full time jobs within the Town of Babylon (the “Town”); and

WHEREAS, in order to induce the Real Estate Holding Companies and the Operating Companies to proceed with the Project within the Town it appears necessary for the Agency to assist the Real Estate Holding Companies and the Operating Companies by taking a leasehold interest in the Facility so as to afford the Real Estate Holding Companies and the Operating Companies certain relief from mortgage recording taxation (to the extent requested), relief from real property taxation and relief from sales and use taxation for a limited period; and

WHEREAS, the Agency (A) caused notice of public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the Financial Assistance being contemplated by the Agency with respect to the Project, to be mailed or hand delivered on or about March 6, 2024 to the chief executive officers of the County of Suffolk, the Town of Babylon, the Farmingdale Union Free School District and the Farmingdale

Public Library (collectively, the “Affected Tax Jurisdictions”), (B) caused notice of the Public Hearing to be published on March 9, 2024 in Newsday, a newspaper of general circulation available to the residents of the Town of Babylon, New York, (C) conducted the Public Hearing on March 19, 2024 at 1:00 p.m. at Old Town Hall, 47 West Main Street, Babylon, New York, and (D) prepared a report of the Public Hearing (the “Report”) that fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, in accordance with the requirements of Section 859-a(1-a) of the Act, a copy of the public hearing resolution with respect to the Project adopted by the Agency on January 24, 2024 was mailed or hand delivered on or about February 15, 2024 to the chief executive officers of each of the Affected Tax Jurisdictions in which the Project Facility is or is to be located (including with respect to the school district the district clerk and the district superintendent); and

WHEREAS, the Agency caused to be mailed on or about March 14, 2024 a letter to Nassau County and the Town of Hempstead (the “Current Municipalities”) notifying the Current Municipalities that the Parcel 2 Operating Company currently leases space located at 2657 Merrick Road, Bellmore New York 11710 (the “Current Facility”) and that the Parcel 2 Operating Company has informed the Agency that the Parcel 2 Operating Company will “abandon” (as such term is used in Section 859-a(5)(d)) the Current Facility upon completion of the Project; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents: (A) a company lease (and a memorandum thereof) (the “Company Lease”) by and between each Real Estate Holding Company and the Agency, pursuant to which, among other things, the Agency will acquire a leasehold interest in the Land and the improvements now or hereafter located on the Land from the respective Real Estate Holding Company; (B) a lease and project agreement (and a memorandum thereof) (the “Lease Agreement”) by and between the Agency and each Real Estate Holding Company, and agreed to and accepted by the respective Operating Company, pursuant to which, among other things, the respective Real Estate Holding Company will agree to undertake and complete the Project as agent of the Agency and each Real Estate Holding Company further will agree to lease the Parcel 1 Company Facility and Parcel 2 Company Facility, as applicable, from the Agency and, as rental thereunder, to pay the Agency’s administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project and each Real Estate Holding Company will agree to make certain payment in lieu of taxes; (C) an agency compliance agreement (the “Agency Compliance Agreement”) by and between the Agency and each Operating Company, pursuant to which the respective Operating Company will agree to lease the applicable Equipment from the Agency; and (D) various other documents and certificates relating to the Project (the “Other Documents” and, collectively with the Company Lease, the Lease Agreement and the Agency Compliance Agreement, the “Agency Documents”); and

WHEREAS, in connection with the Project, (A) the Real Estate Holding Companies will execute and deliver to the Agency one or more bills of sale (the “Bills of Sale to Agency”), which convey from the Real Estate Holding Companies to the Agency all right, title and interest of the Real Estate Holding Companies in the Parcel 1 Equipment and Parcel 2 Equipment; and (B) the Operating Companies will execute and deliver to the Agency one or more bills of sale (the

“Operating Company Bills of Sale to Agency”), which convey from the Operating Companies to the Agency all right, title and interest of the Operating Companies in the Equipment; and

WHEREAS, as security for the Loan (as such term is defined in the Lease Agreement), the Agency and the Real Estate Holding Companies will execute and deliver to a lender or lenders to be determined (the “Lender”), one or more mortgages, assignments of leases and rents 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 (collectively, the “Loan Documents”) in connection with the financing, refinancing or permanent financing of the costs of acquiring, renovating, constructing, reconstructing and equipping of the Facility; and

WHEREAS, the Agency will file with the assessor and mail to the chief executive officers of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form RP-412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Facility under Section 412-a of the Real Property Tax Law) (a “Real Property Tax Exemption Form”) relating to the Project; and

WHEREAS, simultaneously with the execution of the Agency Documents, the Agency will file with the New York State Department of Taxation and Finance one or more forms entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Forms”); and

WHEREAS, for purposes of exemption from New York State (the “State”) sales and use taxation as part of the Financial Assistance requested, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight; and

WHEREAS, a preliminary agreement (the “Preliminary Agreement”) relative to the undertaking of the Project by the Agency, to be executed prior to the execution and delivery of the Agency Documents, has been presented for approval by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “SEQRA”), the Project has been subject to an environmental review resulting in the issuance of a Negative Declaration by the Agency by resolution dated March 20, 2024;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency, based upon the representations made by the Real Estate Holding Companies and the Operating Companies to the Agency in the Application, hereby finds and determines that:

(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 Project constitutes a “project”, as such term is defined in the Act; and

(C) The acquisition, renovation, construction, reconstruction and equipping of the Facility and the leasing of the Facility to the Real Estate Holding Companies and the Operating Companies will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Babylon and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(D) The acquisition, renovation, construction, reconstruction and equipping of the Facility and the leasing of the Facility to the Real Estate Holding Companies and the Operating Companies is reasonably necessary to induce the Real Estate Holding Companies and the Operating Companies to maintain and expand their business operations in the Town and in the State; and

(E) Based upon representations of the Real Estate Holding Companies, the Operating Companies and counsel to the Real Estate Holding Companies and the Operating Companies, the Facility conforms with the local zoning laws and planning regulations of the Town and all regional and local land use plans for the area in which the Facility is located; and

(F) Although the completion of the Facility will result in the removal of a plant or facility of the Parcel 2 Operating Company or any other proposed occupant of the Facility from one area of the State to another area of the State or in the abandonment of a plant or facility of the Parcel 2 Operating Company or of any proposed occupant of the Facility located in the State, the Project is reasonably necessary to preserve the competitive position of the Parcel 2 Operating Company in its respective industry; and

(G) The Project does not constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire (i) a leasehold interest in the Land and all improvements now or hereafter located on the Land from the Real Estate Holding Companies pursuant to the Company Lease, (ii) title to the Parcel 1 Facility Equipment and Parcel 2 Facility Equipment pursuant to the Bills of Sale to Agency from the Real Estate Holding Companies to the Agency, and (iii) title to the Equipment pursuant to the Operating Company Bills of Sale to Agency from of the Operating Companies to the Agency; (C) lease the Company Facility to the Real Estate Holding Companies pursuant to the Lease Agreement; (D) lease the Equipment to the Operating Companies pursuant to the Agency Compliance Agreement; (E) acquire, renovate, construct, reconstruct and install the Project, or cause the Project to be acquired, renovated, constructed, reconstructed, and installed, as provided in the Lease Agreement; (F) grant to the Real Estate Holding Companies exemptions from real estate taxes with respect to the Parcel 1 Company Facility and Parcel 2 Company Facility,

provided that the Real Estate Holding Companies execute and deliver to the Agency the Lease Agreement; (G) grant to the Lender such mortgage lien on and security interest in its interest in the Facility and assign to the Lender all leases and rents with respect to the Facility, in each case as required by the Lender and the Loan Documents; and (H) grant to the Real Estate Holding Companies and the Operating Companies the Financial Assistance with respect to the Project. In the event of the occurrence of a recapture event under the Lease Agreement, the Agency will pursue recapture of Financial Assistance as provided therein.

Section 3. The Agency is hereby authorized to acquire an interest in the Facility and to do all things necessary or appropriate for the accomplishment of the Project, and all acts heretofore taken by the Agency with respect to such Project are hereby approved, ratified and confirmed.

Section 4. (A) The Preliminary Agreement, the Agency Documents and the Loan Documents shall be in form and substance satisfactory to the Chief Executive Officer (“CEO”) or the Chief Financial Officer (“CFO”) and the Agency Counsel and shall be in substantially similar form to the documents used in connection with prior Agency projects. The CEO, the CFO, the Chairman and the Secretary (each an “Authorized Representative”) are each hereby authorized, on behalf of the Agency, to execute and deliver the Preliminary Agreement, the Agency Documents and the Loan Documents, and, where appropriate, the Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same.

(B) The CEO, the CFO and any other Authorized Representatives are each hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives to execute any Agency Documents or certificates of the Agency authorized pursuant to this Resolution and determine the terms of the Agency Documents.

Section 5. 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, to 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 6. The Agency hereby delegates to the Real Estate Holding Companies and the Operating Companies, as agents of the Agency, the authority to designate (following the execution and delivery of the Agency Documents), agents and sub-agents of the Agency (each, a “Sub-Agent”) for purposes of utilizing the Agency sales and use tax exemption with respect to the acquisition, reconstruction and installation of the Facility; provided that any such sub-agency designation shall become effective only upon submission to the Agency within fifteen (15) days of such agency and sub-agency designation: (1) an executed sub-agent appointment agreement (in a form approved by the Agency) and (2) a completed Form ST-60 of the New York State Department of Taxation and Finance (IDA Appointment of Project Operator or Agent for Sales Tax Purposes). Such agents and sub-agents may include contractors and subcontractors involved in the acquisition, reconstruction and installation of the Facility.

Section 7. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Real Estate Holding Companies and the Operating Companies shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from New York State sales and use exemptions benefits. Notwithstanding anything herein to the contrary, the amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$43,125 and shall last no longer than two years from the execution and delivery of the Agency Documents.**

Section 8. Notwithstanding anything herein to the contrary, the amount of mortgage recording tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$7,500.**

Section 9. Notwithstanding anything herein to the contrary, the amount of real property tax exemption benefits comprising the Financial Assistance approved herein shall be approximately **\$337,750**, which such amount reflects the total estimated real property tax exemptions for the Facility (which constitute those taxes that would have been paid if the Facility were on the tax rolls and not subject to the Lease Agreement) of approximately **\$1,141,996** less the estimated payments in lieu of taxes of approximately **\$804,246** to be made by the Real Estate Holding Companies to the affected tax jurisdictions with respect to the Facility during the terms of the Lease Agreement. The approximate amount of estimated real property tax exemptions and the approximate amount of estimated payments in lieu of taxes are estimated based on an assumed assessed value of the Facility and assumed future tax rates of the affected tax jurisdictions. The actual amount of real property tax abatement benefit is subject to change over the terms of the Lease Agreement depending on any changes to assessed value and/or tax rates of the Affected Tax Jurisdictions. Exhibit A attached hereto reflects the calculation for the annual amount of the payments in lieu of taxes to be made to the affected tax jurisdictions in each year during the terms of the Lease Agreement.

Section 10. The Preliminary Agreement, the Agency Documents and the Loan Documents shall be deemed the obligations of the Agency, and not of any member, officer, agent or employee of the Agency in his/her individual capacity, and the members, officers, agents and employees of the Agency shall not be personally liable thereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby. The Preliminary Agreement, the Agency Documents and the Loan Documents shall not constitute or give rise to an obligation of the State of New York or Suffolk County, New York and neither the State of New York nor Suffolk County, New York shall be liable thereon, and further, such agreement shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency.

Section 11. This resolution shall take effect immediately upon adoption.

Exhibit A

For the period commencing on the PILOT Commencement Date (to be defined in the Lease Agreement) until the earlier of (i) the Abatement Termination Date (to be defined in the Lease Agreement) or (ii) the date on which the Agency no longer has a leasehold interest in the Land and the Improvements, the Real Estate Holding Companies shall make payment in lieu of real estate taxes (the “PILOT Payments”) as follows:

Definitions

X = the then current assessed value of the Land and Improvements from time to time.

PILOT Commencement Date = the Taxable Status Date of the Town immediately following the execution and delivery of the Agency Documents.

Normal Tax Due = those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Babylon (including any existing incorporated village or any village which may be or may have been incorporated after the date hereof, within which the Project is wholly or partially located) which are or may be imposed for special improvements or special district improvements, which the Real Estate Holding Companies would pay without exemption.

Tax Year = the Tax Year of the Town commencing each December 1 and ending the following November 30.

Payment
Tax Year

1	40.0% Normal Tax Due on X
2	44.0% Normal Tax Due on X
3	48.0% Normal Tax Due on X
4	52.0% Normal Tax Due on X
5	56.0% Normal Tax Due on X
6	60.0% Normal Tax Due on X
7	64.0% Normal Tax Due on X
8	68.0% Normal Tax Due on X
9	72.0% Normal Tax Due on X
10	76.0% Normal Tax Due on X
11	80.0% Normal Tax Due on X
12	84.0% Normal Tax Due on X
13	88.0% Normal Tax Due on X
14	92.0% Normal Tax Due on X
15	96.0% Normal Tax Due on X

16 and thereafter 100% Normal Tax Due on X

The tax benefits provided for shall be deemed to commence on the PILOT Commencement Date. In no event shall the Real Estate Holding Companies be entitled to receive real property tax benefits due to the Project under the Lease Agreement for a period longer than the period set forth in the formula immediately above. Notwithstanding the foregoing schedule, the Real Estate Holding Companies will further covenant and agree that for any period that the Agency continues to hold a leasehold interest in the Land and Improvements after termination, the Real Estate Holding Companies shall pay 100% of the Normal Tax Due on X together with any special assessment and services charges relating to the Facility whichever may be imposed for special district improvements in accordance with the provisions of the Lease Agreement.

RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY DETERMINING THAT THE ACQUISITION, RENOVATION, CONSTRUCTION, RECONSTRUCTION AND EQUIPPING OF A CERTAIN PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE EFFECT ON THE ENVIRONMENT.

WHEREAS, Town of Babylon Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 177 of the Laws of 1973 of New York, as amended, constituting Section 907-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of, among others, manufacturing, warehousing, research, commercial or industrial facilities, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Great Neck Chemists, Inc. of N.Y. (the “Parcel 1 Operating Company”), Precision Compounding Pharmacy & Wellness Inc. (the “Parcel 2 Operating Company” and, together with the Parcel 1 Operating Company, the “Operating Companies”), 69 Allen Boulevard LLC (the “Parcel 1 Real Estate Holding Company”) and 61-65 Allen Boulevard LLC (the “Parcel 2 Real Estate Holding Company” and, together with the Parcel 1 Real Estate Holding Company, the “Real Estate Holding Companies”), on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, have submitted an application (the “Application”) to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) on behalf of the Operating Companies and the Real Estate Holding Companies consisting of the following: (A)(1) the acquisition of an interest in approximately 0.51 acres of real estate located at 69 Allen Boulevard, Farmingdale (Tax Map #0100-095.00-03.00-007.000) in the Town of Babylon, Suffolk County, New York (the “Parcel 1 Land”), the renovation of an existing approximately 10,000 square foot building located on the Parcel 1 Land (the “Parcel 1 Improvements”), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Parcel 1 Equipment (as such term is defined herein) (the “Parcel 1 Facility Equipment”; and, together with the Parcel 1 Land and the Parcel 1 Improvements, the “Parcel 1 Company Facility”), which Parcel 1 Company Facility is to be leased and subleased by the Agency to the Parcel 1 Real Estate Holding Company and further subleased by the Parcel 1 Real Estate Holding Company to the Parcel 1 Operating Company; (2) the acquisition and installation of certain equipment and personal property (the “Parcel 1 Equipment” and, together with the Parcel 1 Company Facility, the “Parcel 1 Facility”),

which Parcel 1 Facility will be used by the Parcel 1 Operating Company as a distribution facility and related uses for its business of pharmaceutical distribution, including to long-term care facilities; (3) the acquisition of an interest in approximately 0.51 acres of real estate located at 61-65 Allen Boulevard, Farmingdale (Tax Map #0100-095.00-03.00-006.000) in the Town of Babylon, Suffolk County, New York (the “Parcel 2 Land”), the renovation of an existing approximately 10,000 square foot building located on the Parcel 2 Land (the “Parcel 2 Improvements”), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Parcel 2 Equipment (as such term is defined herein) (the “Parcel 2 Facility Equipment”; and, together with the Parcel 2 Land and the Parcel 2 Improvements, the “Parcel 2 Company Facility” and, together with the Parcel 1 Company Facility, the “Company Facilities”), which Parcel 2 Company Facility is to be leased and subleased by the Agency to the Parcel 2 Real Estate Holding Company and further subleased by the Parcel 2 Real Estate Holding Company to the Parcel 2 Operating Company; and (4) the acquisition and installation of certain equipment and personal property (the “Parcel 2 Equipment” and, together with the Parcel 2 Company Facility, the “Parcel 2 Facility”; the Parcel 1 Facility and the Parcel 2 Facility, together, the “Facility”), which Parcel 2 Facility will be used by the Parcel 2 Operating Company as a manufacturing and distribution facility and related uses for its business as a manufacturer and distributor of specialty compounding pharmaceuticals and medication; (B) the granting of certain “financial assistance” (within the meaning of section 854(14) of the Act) with respect to the foregoing limited to potential exemptions from certain sales and use taxes, transfer taxes, mortgage recording taxes (except as limited by Section 874 of the Act) and real property taxes (collectively, the “Financial Assistance”); and (C)(1) the lease (with an obligation to purchase) or sale of the Parcel 1 Company Facility to the Parcel 1 Real Estate Holding Company or such other person as may be designated by the Parcel 1 Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Parcel 1 Equipment to the Parcel 1 Operating Company or such other person as may be designated by the Parcel 1 Operating Company and agreed upon by the Agency; and (2) the lease (with an obligation to purchase) or sale of the Parcel 2 Company Facility to the Parcel 2 Real Estate Holding Company or such other person as may be designated by the Parcel 2 Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Parcel 2 Equipment to the Parcel 2 Operating Company or such other person as may be designated by the Parcel 2 Operating Company and agreed upon by the Agency; and

WHEREAS, pursuant to SEQRA, the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant effect upon the environment, the Application included a Short Environmental Assessment Form (the “SEAF”), a copy of which is attached hereto as Exhibit A, and copies of said SEAF are on file in the office of the Agency and are readily accessible to the public; and

WHEREAS, the Agency has examined and reviewed the SEAF in order to classify the Project and make a determination as to the potential significance of the action pursuant to SEQRA;

NOW, THEREFORE, be it resolved by the members of the Town of Babylon Industrial Development Agency, as follows:

Section 1. Based upon an examination of the SEAF, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency’s knowledge of the Project, and such further investigation of the action and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the action pursuant to SEQRA:

(a) The Project constitutes an “Unlisted Action” (as said quoted term is defined in SEQRA);

(b) The Project will not have a significant effect on the environment, and the Agency hereby issues a negative declaration for the action pursuant to SEQRA, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

Section 2. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 3. The Chief Executive Officer of the Agency is hereby authorized and directed to execute the environmental assessment form/negative declaration on behalf of the Agency.

Section 4. The Secretary of the Agency is hereby authorized and directed to distribute copies of this Resolution and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Short Environmental Assessment Form

Instructions for Completing

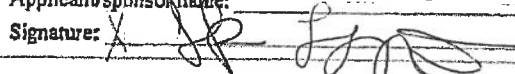
Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project: Great Neck Chemists, Inc. of N.Y. d/b/a Precision LTC Pharmacy (Parcel 1) Precision Compounding Pharmacy & Wellness Inc. d/b/a Precision Compounding Pharmacy (Parcel 2)			
Project Location (describe, and attach a location map): Parcel 1 - 69 Allen Blvd., Farmingdale, NY 11735 Parcel 2 - 61-65 Allen Blvd., Farmingdale, NY 11735			
Brief Description of Proposed Action: Parcel 1 - Existing 10,000 sq. ft. building Parcel 2 - Renovation and equipping of existing 10,000 sq. ft. building.			
Name of Applicant or Sponsor: Parcel 1- Great Neck Chemists, Inc. of N.Y./69 Allen Boulevard LLC		Telephone: 516-482-0004	
Parcel 2-Precision Compounding Pharmacy & Wellness Inc./61-65 Allen Boulevard LLC		E-Mail: flongo@precisionltc.com	
Address: Parcel 1- 69 Allen Blvd. Parcel 2- 2657 Merrick Rd.			
City/PO: Parcel 1- Farmingdale Parcel 2 - Bellmore		State: New York	Zip Code: P1 - 11735 P2 - 11710
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO	YES
		X	
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:		NO	YES
		X	
3.a. Total acreage of the site of the proposed action? Parcel 1: .51 acres Parcel 2: .51 acres			
b. Total acreage to be physically disturbed? Parcel 1: 0 acres Parcel 2: 0 acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? Parcel 1: .51 acres Parcel 2: .51 acres			
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland			

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
		X	
b. Consistent with the adopted comprehensive plan?		X	
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO		YES
			X
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO		YES
		X	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO		YES
		X	
b. Are public transportation service(s) available at or near the site of the proposed action?			X
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?			X
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: N/A	NO		YES
			X
10. Will the proposed action connect to an existing public/private water supply? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input type="checkbox"/> YES] If No, describe method for providing potable water: _____	NO		YES
			X
11. Will the proposed action connect to existing wastewater utilities? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES] If No, describe method for providing wastewater treatment: _____	NO		YES
			X
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO		YES
		X	
b. Is the proposed action located in an archeological sensitive area?		X	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO		YES
		X	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____		X	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO		YES
		X	
16. Is the project site located in the 100 year flood plain?	NO		YES
		X	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input type="checkbox"/> NO <input type="checkbox"/> YES	NO		YES
		X	
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____			

PARCEL 1 and Parcel 2

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Parcel 1: Great Neck Chemists, Inc. of N.Y. and Parcel 2: Precision Compounding Pharmacy & Wellness Inc. Applicant/sponsor name: _____ Date: 1/27/24 Signature: 		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?		
2. Will the proposed action result in a change in the use or intensity of use of land?		
3. Will the proposed action impair the character or quality of the existing community?		
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?		
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?		
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?		
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?		
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?		
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?		

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?		
11. Will the proposed action create a hazard to environmental resources or human health?		

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)