

**RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION, RECONSTRUCTION AND EQUIPPING OF A CERTAIN FACILITY FOR P & M, LLC AND SEFI REALTY 2025 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 P & M, LLC (the "Operating Company") and Sefi Realty 2025 LLC (the "Real Estate Holding Company"), on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, the Operating Company and the Real Estate Holding Company have requested that the Agency undertake a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in approximately 1.78 acres of real estate located at 11 Ranick Drive South, Amityville (Tax Map #0101-004.00-01.00-038.000) in the Village of Amityville, Town of Babylon, Suffolk County, New York (the "Land"), the acquisition, renovation, reconstruction, equipping and furnishing of an existing approximately 42,000 square foot building located on the Land (the "Improvements"), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Equipment (as such term is defined herein) (the "Facility Equipment"; and, together with the Land and the Improvements, the "Company Facility"), which Company Facility is to be leased and subleased by the Agency to the Real Estate Holding Company and further subleased by the Real Estate Holding Company to the Operating Company; and (2) the acquisition and installation of certain equipment and personal property (the "Equipment", and together with the Company Facility, the "Facility"), which Facility will be used by the Operating Company as a manufacturing facility and related uses for its business as a manufacturer of stainless steel equipment for the food service industry and no more than 20% of which Facility may be further subleased by the Operating Company to one or more third-party tenants for warehousing and related uses permitted under the Act; (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 mortgage recording taxes (except as limited by Section 874 of the Act), transfer taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Company Facility to the Real Estate Holding Company or such other person as may be designated by the Real Estate Holding Company and

agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Equipment to the Operating Company or such other person as may be designated by the Operating Company and agreed upon by the Agency; and

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

WHEREAS, the Agency caused to be mailed on December 4, 2025 a letter to Suffolk County, the Town of Babylon and the Village of Amityville (the "Current Municipalities") notifying the Current Municipalities that the Operating Company currently leases 50 Ranick Drive East, Amityville, New York 11701 (the "Current Facility") from a related real estate holding company and that the Operating Company and the Real Estate Holding Company have informed the Agency that the Operating Company will "abandon" (as such term is used in Section 859-a(5)(d) of the Act) the Current Facility upon completion of the Project; and

WHEREAS, in accordance with the requirements of Section 859-a(1-a) of the Act, a copy of the preliminary inducement resolution with respect to the Project adopted by the Agency on November 19, 2025 was mailed by certified mail, return receipt requested on or about December 4, 2025 to the chief executive officers of each of the Affected Tax Jurisdictions in which the 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 (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 on December 4, 2025 to the chief executive officers of the County of Suffolk, the Town of Babylon, the Village of Amityville, the Amityville Union Free School District and the Amityville Public Library (collectively, the "Affected Tax Jurisdictions"), (B) caused notice of the Public Hearing to be published on December 6, 2025 in Newsday, a newspaper of general circulation available to the residents of the Town of Babylon, New York, (C) conducted the Public Hearing on December 16, 2025 at 11:30 a.m., at 50 Ranick Drive East, Amityville, New York, and (D) prepared a report of the Public Hearing that fairly summarized the views presented at said public hearing and distributed same to the members of 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 Application in order to afford a reasonable basis for the decision of the Agency to provide financial assistance to the Project; and (ii) reviewed the Agency's written cost benefit analysis for the Project, which identifies the extent to which (A) the Project will create or retain

permanent, private sector jobs; (B) the estimated value of any tax exemption to be provided to the Project; (C) the amount of private sector investment generated or likely to be generated by the Project; (D) reviewed the likelihood of accomplishing the proposed project in a timely fashion; and (E) considered the extent to which the Project will provide additional sources of revenue for the Town and the school district where the Facility is located; and

WHEREAS, in 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 the 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 Real Estate Holding Company; (B) a lease and project agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Real Estate Holding Company, and agreed to and accepted by the Operating Company, pursuant to which, among other things, the Real Estate Holding Company will agree to undertake and complete the Project as agent of the Agency and the Real Estate Holding Company further will agree to lease the Company Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and the Real Estate Holding Company will agree to make certain payment in lieu of taxes and to pay all expenses incurred by the Agency with respect to the Project; (C) an agency compliance agreement (the "Agency Compliance Agreement") by and between the Agency and the Operating Company, pursuant to which the Operating Company will agree to lease that 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 Company may, if necessary execute and deliver to the Agency a bill of sale (the "Bill of Sale to Agency"), which conveys from the Real Estate Holding Company to the Agency all right, title and interest of the Real Estate Holding Company in the Facility Equipment; and (B) the Operating Company may, if necessary execute and deliver to the Agency a bill of sale (the "Operating Company Bill of Sale to Agency"), which conveys from the Operating Company to the Agency all right, title and interest of the Operating Company 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 Company 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, 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;

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 Company and the Operating Company 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 and equipping of the Facility and the leasing of the Facility to the Real Estate Holding Company and the Operating Company 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 and equipping of the Facility and the leasing of the Facility to the Real Estate Holding Company and the Operating Company is reasonably necessary to induce the Real Estate Holding Company and the Operating Company to maintain and expand their business operations in the Town and in the State; and

(E) Based upon representations of the Real Estate Holding Company, the Operating Company and counsel to the Real Estate Holding Company and the Operating Company, 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 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 Operating Company or of any proposed occupant of the Facility located in the State, the Project is reasonably necessary to discourage the Operating Company from removing such other plant or facility to a location outside the State of New York and is reasonably necessary to preserve the competitive position of the 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 Company pursuant to the Company

Lease, (ii) if necessary, title to the Facility Equipment pursuant to the Bill of Sale to Agency from the Real Estate Holding Company to the Agency, and (iii) if necessary, title to the Equipment pursuant to the Operating Company Bill of Sale to Agency from of the Operating Company to the Agency; (C) lease the Company Facility to the Real Estate Holding Company pursuant to the Lease Agreement; (D) lease the Equipment to the Operating Company pursuant to the Agency Compliance Agreement; (E) acquire, renovate, reconstruct and install the Project, or cause the Project to be acquired, renovated, reconstructed, and installed, as provided in the Lease Agreement; (F) grant to the Real Estate Holding Company exemptions from real estate taxes with respect to the Company Facility, provided that the Real Estate Holding Company executes and delivers 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 Company and the Operating Company 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 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 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, Loan Documents or certificates of the Agency authorized pursuant to this Resolution and determine the terms of the Agency Documents and the Loan 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. Notwithstanding anything herein to the contrary, the amount of mortgage recording tax exemption benefits comprising the Financial Assistance approved herein shall not exceed \$45,900.

Section 7. Notwithstanding anything herein to the contrary, the amount of real property tax exemption benefits comprising the Financial Assistance approved herein shall be approximately \$647,680, 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 \$2,085,999 less the estimated payments in lieu of taxes of approximately \$1,438,319 to be made by the Real Estate Holding Company to the affected tax jurisdictions with respect to the Facility during the term 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 term of the Lease Agreement.

Section 8. 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 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 9. This resolution shall take effect immediately upon adoption.

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