

RESOLUTION

(Morse Manufacturing Co., Inc. Project)

At a meeting of the Onondaga County Industrial Development Agency (the "Agency"), held on September 11, 2018 at 8:00 a.m. at 333 West Washington Street, Syracuse, New York, the following members of the Agency were:

PRESENT:

Patrick Hogan
Janice Herzog
Victor Ianno
Steve Morgan
Susan Stanczyk
Kevin Ryan
Fanny Villarreal

ABSENT:

ALSO PRESENT:

Julie A. Cerio, Executive Director
Anthony P. Rivizzigno, Esq., Agency Counsel

Upon motion duly made and seconded, the following resolution was duly adopted by the Agency with its members voting as follows:

Aye

Nay

Patrick Hogan
Janice Herzog
Victor Ianno
Steve Morgan
Susan Stanczyk
Kevin Ryan
Fanny Villarreal

RESOLUTION OF THE ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") WITH RESPECT TO MORSE MANUFACTURING CO., INC. (THE "COMPANY") (i) AUTHORIZING \$125,000 IN ADDITIONAL SALES AND USE TAX EXEMPTION BENEFITS FOR THE BENEFIT OF THE COMPANY WITH RESPECT TO THE MORSE MANUFACTURING CO., INC. PROJECT (AS DEFINED BELOW); AND (ii) APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 435 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act"), the **ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, pursuant to resolutions previously duly adopted by the Agency on February 7, 2017 (the "Resolutions"), the Agency authorized the appointment of **MORSE MANUFACTURING CO., INC.**, a New York Corporation, on behalf of itself and/or the principals of Morse Manufacturing Co., Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company"), as the true and lawful agent of the Agency to undertake a certain project (the "Project"), consisting of: (i) the acquisition by the Agency, by deed or lease, of certain land (the "Land") and existing improvements at 103-105 Kuhn Road in the Town of Salina, County of Onondaga, and (ii) the complete renovation of an approximately 87,731 square foot warehouse and an approximately 40,000 square foot truck terminal and purchase and installation of equipment located on the property at 103-105 Kuhn Road in the Town of Salina, County of Onondaga; and

WHEREAS, in connection with the Project and the appointment of the Company as agent of the Agency, the Agency (A) executed a certain (i) Agent and Financial Assistance and Project Agreement, dated February 7, 2017 (the "Agent Agreement"), by and between the Agency and the Company, (ii) a certain Informational Letter Regarding Sales and Use Tax Exemptions, dated February 7, 2017, from the Agency to the Company, (iii) a certain NYS Form ST-60, "IDA Appointment of Project Operator or Agent," signed by the Agency and filed with NYS IDA Unit, and (iv) related forms, each expiring December 31, 2019 (together, the "Sales Tax Exemption Package"); and (B) authorized sales and use tax exemption benefits which equal an amount of up to \$125,000; and

WHEREAS, the Company has filed a revised application with the Agency attached hereto as Exhibit A, the Company has requested, based solely on an increase in costs, that the Agency authorize an increase of sales and use tax exemption benefits for the Project from \$125,000 to \$250,000, which is an increase of savings at 100% on such \$125,000 increase of \$125,000 (the "Financial Assistance"); and

WHEREAS, a public hearing under the Act was duly noticed and duly held on January 25, 2017, with respect to the Financial Assistance to be provided by the Agency to the Company; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to provide the Financial Assistance in furtherance of the Project; and

WHEREAS, the Agency finds that (i) there has been no material or significant change to the Project since the date of the SEQRA Determination made in the Agency's Resolutions (the "SEQR Determination"), (ii) that the environmental review which resulted in the SEQRA Determination accurately and adequately examined the environmental issues presented by the Project and the Financial Assistance contemplated herein, (iii) is applicable to the Project and the Financial Assistance contemplated herein, and (iv) constitutes a negative declaration of significant adverse environmental effect in respect of the Project and the Financial Assistance contemplated herein; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the undertaking of the Project and the acquisition and installation of the Equipment at the Facility; and

WHEREAS, it is contemplated that the Agency will (i) provide certain financial assistance to the Company in the form of an additional sales and use tax exemption for purchases and rentals related to the undertaking of the Project in the amount of \$250,000; and (ii) execute an NYS Form ST-60 indicating such increased sales and use tax exemption benefits and file the same with NYS IDA Unit.

NOW, THEREFORE, BE IT RESOLVED by the Onondaga County Industrial Development Agency as follows:

Section 1. The Agency hereby confirms the SEQRA Determination as of the date hereof. Such determination constitutes a negative declaration in respect of the Project for purposes of SEQRA

Section 2. Based upon the representation and warranties made by the Company, the Agency hereby authorizes the financial assistance relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately \$250,000, which results in **additional** New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$125,000. The Agency agrees to consider any requests by the Company for any further increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 3. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party

authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement in the Application; or (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 4. The form and substance of the NYS Form ST-60 indicating the increase in sales and use tax exemption benefits and related documents (collectively, the "Agency Documents"), in final form satisfactory to the Chair or the Executive Director, upon the advice of Transaction Counsel, are hereby approved.

Section 5.

(a) The Chairman, Vice Chairman, Executive Director, and/or Assistant Secretary, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the necessary documents in final form satisfactory to the Chairman or the Executive Director upon the advice of Transaction Counsel, and such other related documents as may be, in the judgment of the Chair, the Executive Director and Transaction Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, the Executive Director, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Executive Director, or any member of the Agency is further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 6. 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, 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 7. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : SS.:
COUNTY OF ONONDAGA)

I, the undersigned, Secretary of the Onondaga County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Onondaga County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on September 11, 2018, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolutions are in full force and effect and have not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 5 day of December, 2018.

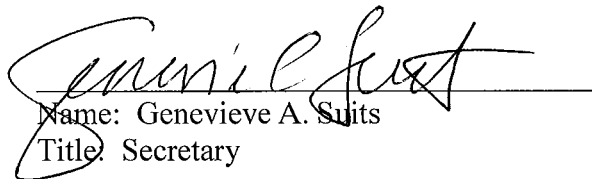

Name: Genevieve A. Suits
Title: Secretary

Exhibit A

[Attached hereto]