

RESOLUTION OF THE LIVINGSTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING COAST PROFESSIONAL PROPERTIES, LLC, A NEW YORK LIMITED LIABILITY COMPANY AND COAST PROFESSIONAL, INC., A CALIFORNIA CORPORATION, AS AGENTS OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE FACILITY, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, Coast Professional Properties, LLC, A New York Limited Liability Company (the "Company") and Coast Professional, Inc. a California corporation (the "Sublessee"), have applied to the Livingston County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the equipping and construction of an approximately 4,000 square foot addition (the "Addition") to an existing 6900 square foot industrial development facility located at 4273 Volunteer Road in the Town of Geneseo, Livingston County, New York New York (further described as Tax Map No. 81 -1-2.82) on approximately 4.0 acres of land (the "Original Facility") owned by the Agency, and leased by the Agency to the Company, and subleased by the Company to, and used by the Sublessee for office space for its collection business (the "Original Facility," together with the "Addition," are collectively herein, the "Facility"), and including the following as they relate to the appointment of the Company and the Sublessee as agents of the Agency pursuant to Section 5 hereof with respect to the construction and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the construction and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Agency previously acquired title to the Original Facility and will acquire title to the Addition, and has leased the Original Facility and will lease the Addition to the Company pursuant to an amendment to an Amendment to Lease dated as of June 1, 2013 (the "Amendment"), and the Company previously subleased the Original Facility and will sublease the Addition to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 132 of the Laws of 1973 of the State of New York, as the same may be amended from time to time (collectively, the "Act"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee, consistent with the policies of the Agency, in the form of exemptions from sales and use taxes and abatement of real property taxes on the increased

assessment resulting from improvements to the Facility, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, by a Resolution adopted by the Agency on May 10, 2013 the Agency determined that the Project would not have a significant adverse impact on the environment; and

WHEREAS, a public hearing (the "Hearing") was held on June 4, 2013, at 10 a.m., in the Geneseo Town Hall, located at 4630 Millenium Drive, Geneseo, New York, at which time all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility had an opportunity to be heard; and

WHEREAS, notice of the Hearing was given on May 23, 2013, and such notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the report of the Hearing is annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed Facility is either an inducement to the Company to maintain and expand the Facility in Livingston County or is necessary to maintain the competitive position of the Company in its industry; 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 transaction contemplated by the transfer of a leasehold interest in the Land (as such term is defined in the Lease Agreement) and the Facility to the Agency and the lease or sublease of the Facility to the Company; and

NOW, THEREFORE, BE IT RESOLVED by the Livingston County Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, construction and equipping of the Facility in the form of exemptions from sales and use taxes an amount not to exceed \$24,000 (as set forth in the Form of Sales Tax Letter set forth as Exhibit C hereof) and abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit D hereof), consistent with the policies of the Agency.

Section 2. The Company is hereby appointed the true and lawful agent of the Agency to acquire, construct and equip the Facility on behalf of the Agency, with the authority to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this Section 2 are set forth in the form of the attached letter addressed to the Company marked as Exhibit C, to this resolution, which is incorporated herein by reference. The form of such letter is incorporated herein by reference and is approved and adopted by the Agency, the Chairman, Executive Director and all other duly authorized officials of the Agency are authorized to execute and deliver such letter to the Company upon the closing of the transaction. The appointment described above includes the following activities as they relate to the acquisition, construction and equipping of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the acquisition, construction and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as would the Agency if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to acquire, construct and equip the Facility shall expire at the earlier of (A) the completion of such acquisition, construction and equipping of the Facility, and (B) one (1) year after the date of this resolution; provided however, such appointment may be extended at the discretion of the Chairman or the Executive Director of the Agency for up to six (6) additional months, or by the Agency Board for any period beyond such six (6) months, upon the written request of the Company if such activities and improvements are not completed by such time. This agency appointment expressly excludes the Company from purchasing motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

Section 3. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting), by and among the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the development of the Facility (the "Agreement"), is hereby approved. The Chairman or Executive Director are hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the Chairman or Executive Director or counsel to the Agency shall approve. The execution thereof by the Chairman or Executive Director shall constitute conclusive evidence of such approval.

Section 4. The Agency hereby finds and determines:

- (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 Facility constitutes a “project,” as such term is defined in the Act; and
- (c) The acquisition, construction and equipping of the Facility and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Livingston County 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, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and
- (e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of Livingston County and all regional and local land use plans for the area in which the Facility is located; and
- (f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in the accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and
- (g) It is desirable and in the public interest for the Agency to lease the Facility to the Company; and
- (h) The Amendment will be an effective instrument whereby the Agency will lease the Facility to the Company; and
- (i) The amended PILOT Agreement, dated as of June 1, 2013, or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency (the “PILOT Amendment”), by and between the Agency and the Company will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Company’s payments in lieu of real property taxes for the duration of the terms of the Lease Term (as such term is defined in the Amendment); and
- (j) The Recapture Agreement, dated as of June 1, 2013, or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency (the “Recapture Agreement”), by and between the Agency and the Company will be an effective instrument whereby the Agency and the Company agree to provide for the obligations of the Company under the Transaction Documents (as defined in the Lease Agreement) and describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company; and

(k) The amended Environmental Compliance and Indemnification Agreement, dated as of June 1, 2013, or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency (the "Amended Environmental Agreement"), by and between the Agency and the Company, will be an effective instrument whereby the Company covenants that the acquisition, construction, equipping and operation of the Facility will be in compliance with all laws and regulations, and the Company will indemnify and hold the Agency harmless from any violation of the environmental laws and regulations with respect to the Facility; and

Section 5. In consequence of the foregoing, the Agency hereby determines to: (i) acquire, construct and equip the Facility and lease the Facility to the Company pursuant to the Lease Agreement; (ii) execute, deliver and perform the Amendment; (iii) execute, deliver and perform the PILOT Amendment; (iv) execute, deliver and perform the Recapture Agreement; (v) execute and deliver the Amended Environmental Agreement.

Section 6. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Inducement/Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 7. The form and substance of the Lease Amendment, the PILOT Amendment, the Recapture Agreement, the Amended Environmental Agreement (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 8.

(a) The Chairman, Executive Director, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Amendment, the PILOT Amendment, the Recapture Agreement, the Amended Environmental Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Executive Director, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Executive Director and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Agency Documents"). The execution thereof by the Chairman, Executive Director, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, 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 9. 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 10. This resolution shall take effect immediately.

CERTIFICATION

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

I, the undersigned acting Secretary of the Livingston County Industrial Development Agency, certifies under penalty of perjury as follows:

1. I have compared the foregoing copy of the Resolution of the Livingston County Industrial Development Agency (the "Agency") with the original thereof on file in the office of Agency.
2. The aforesaid copy is a true and correct copy of such Resolution and of the proceedings of the Agency in connection with such matter.
3. Such Resolution was adopted at a regularly scheduled public meeting of the Agency occurring on June 7, 2013 at 9:00 a.m. at the Livingston County Government Center, 6 Court Street, Geneseo, New York 14454, at which the following members were:

Present: P. Brooks, W. Bacon, E. Gott, R. Smith, S. Boscoe, P. Yendell

Absent: S. Doerflinger

Also Present: J. Marshall, C. Baker-Scott, L. Wadsworth, E. Russell, M. LaPoma

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

	YEA	NEA	ABSTAIN	ABSENT
Philip S. Brooks	[X]	[]	[]	[]
William Bacon	[X]	[]	[]	[]
Susan Doerflinger	[]	[]	[]	[X]
Peter Yendell	[X]	[]	[]	[]
Steve Boscoe	[X]	[]	[]	[]
Robert Smith	[X]	[]	[]	[]
Eric Gott	[X]	[]	[]	[]

5. It is further certified as follows:


(a) All members of the Agency had due notice of said meeting, pursuant to Sections 103(a) and 104 of the Public Officers Law of the State of New York;

(b) The meeting was open to the general public and the public notice of the time and place of said meeting was duly given in accordance with the aforesaid sections of the New York State Public Officers Law;

(c) The meeting in all respects was duly held; and

(d) There was a quorum present throughout.

IN WITNESS WHEREOF, I have hereto set my hand as of June 7, 2013.


Secretary