

**RESOLUTION OF THE LIVINGSTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR CAROLE L. GRAY, AN INDIVIDUAL AND GRAY METAL PRODUCTS, INC., AND 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 132 of the Laws of 1973 of the State of New York (collectively, the "Act"), the Livingston 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**, there was submitted to the Agency a proposal to undertake the providing and leasing of an industrial development facility to Carole L. Gray, an individual (the "Lessee"), which would then be subleased by the Lessee to Gray Metal Products, Inc., a corporation, duly organized and existing under the laws of the State of New York, with an office at 495 Rochester Street, Avon, New York 14414 (the "Sublessee"), (the Lessee and the Sublessee hereinafter jointly referred to as the "Company"), and the construction and equipping of an approximately 89,700 square foot addition (the "Addition") to an existing 182,505 square foot industrial development facility located at 495 Rochester Street in the Village of Avon, Town of Avon, Livingston County, New York on approximately 56.67 acres of land (the "Original Facility") (the "Original Facility," together with the "Addition," are jointly herein referred to the "Facility") owned by the Agency, leased by the Agency to the Lessee, and subleased by the Lessee to, and used by the Sublessee for the manufacture and warehousing of prefabricated air duct fittings for the HVAC wholesale and hardware markets, including the following as they relate to the appointment of the Lessee 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 has previously acquired title to the Original Facility and will acquire title to the Addition, and has leased the Original Facility pursuant to an Amended and Restated Lease Agreement (the "Amended and Restated Lease Agreement") dated March 1, 1997 and an Amendment and Modification Agreement dated June 1, 2002, (the Amendment and Modification Agreement") (the "Amended and Restated Lease Agreement and the Amendment and Modification Agreement are together hereinafter to as the "Prior Lease Agreements") and will lease the Addition to the Lessee pursuant to an amendment of the Prior Lease Agreements (the "Amended Lease Agreement") and the Lessee has subleased the Original Facility and will

sublease the Addition to the Sublessee, all pursuant to the Act; and

**WHEREAS**, the Agency, by resolution duly adopted on July 13, 2012 (the “Inducement Resolution”), decided to proceed under the provisions of the Act to acquire, reconstruct, construct and equip and lease the Facility to the Company pursuant to the Amended Lease Agreement; and

**WHEREAS**, the Company has previously indemnified the Agency and has agreed to continue 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 fee title to the Facility to the Agency and the lease of the Facility to the Company;

**NOW, THEREFORE, BE IT RESOLVED** by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. 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, renovation, construction and equipping of the Facility and the leasing of the Facility to the Lessor and the subleasing of the Facility to the Sublessee 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, renovation, 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) On April 2, 2012, as Lead Agency pursuant to Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder (“SEQR”), the Village of Avon Board of Trustees determined that the Facility and the operations conducted therein will not have a significant effect on the environment, and accordingly adopted a Negative Declaration under SEQR (the “Negative Declaration”); and

(f) The Negative Declaration is hereby ratified and adopted as the Agency’s required findings and action pursuant to SEQR; and

(g) By Resolution adopted on April 2, 2012 the Village of Avon Board of Trustees granted Site Plan Approval for the Facility, and based thereon the Facility is in conformity and complies with all relevant zoning laws of the Village of Avon; and

(h) It is desirable and in the public interest for the Agency to lease the Facility to the Lessor; and

(i) The Amended Lease Agreement will be an effective instrument whereby the Agency leases the Facility to the Lessor; and

(j) The Amended Payment-in-Lieu-of-Tax Agreement (the "Amended PILOT Agreement"), dated September 1, 2012, or such date as the Chairman and Agency counsel shall agree, between the Agency and the Company, in form satisfactory to the Chairman and Agency counsel, 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; and

(k) The Amended Environmental Compliance and Indemnification Agreement (the "Amended Environmental Agreement"), dated September 1, 2012, or such date as the Chairman and Agency counsel shall agree, between the Agency and the Company, in form satisfactory to the Chairman and Agency counsel, will be an effective instrument whereby the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Facility to the Lessor pursuant to the Amended Lease Agreement, (ii) execute, deliver and perform the Amended Lease Agreement, (iii) execute, deliver and perform the Amended PILOT Agreement; and (iv) execute, deliver and perform the Amended Environmental Agreement.

Section 3. The Agency is hereby authorized to acquire, as necessary, the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Amended Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The form and substance of the Amended Lease Agreement, the Amended PILOT Agreement and the Amended Environmental Agreement (collectively, the "Amended Lease Documents")(each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5.

(a) The Chairman, the Vice Chair, the Executive Director, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Amended Lease Documents, each in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Vice Chair, the Executive Director, or any other member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman 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, the Vice Chair, the Executive Director, or any other member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Vice Chair, the Executive Director and all other members of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency (as defined in and pursuant to the Amended Lease Documents).

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.

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 ]	[ ]	[ ]	[ ]

The Resolution was thereupon duly adopted.

## 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 September 6, 2012 at 10:00 a.m. at the Livingston County Government Center, 6 Court Street, Geneseo, New York 14454, at which the following members were:

Present: Philip S. Brooks, Susan Doerflinger, Steve Boscoe, Robert Smith, Eric Gott

Absent: William Bacon, Peter Yendell

Also Present: Patrick Rountree, Julie Marshall, James Coniglio, Mary LaPoma, Louise Wadsworth

4. The question of the adoption of the foregoing Resolution was duly put to vote on roll call, the results of which are duly set forth on the foregoing copy of the Resolution and, therefore, the Resolution was declared duly adopted.

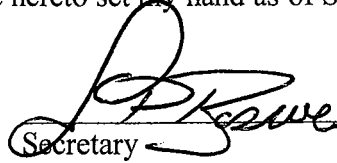
5. It is further certified as follows:

(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 September 7, 2012.

  
Secretary