

**Inducement Resolution  
JGV, LLC Facility**

RESOLUTION OF THE ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING JGV, LLC, THE PRINCIPALS OF JGV, LLC, AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, JGV, LLC, on behalf of itself and/or the principals of JGV, LLC, and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"); and

WHEREAS, the Company will lease the Facility to the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act") and the Agency will lease the Facility back to the Company pursuant to a Leaseback Agreement (the "Leaseback Agreement"); and

WHEREAS, the Company will further sublease the Facility to Vicks Logistics Corp. (the "Sublessee") for its operation; 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, the Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in the Facility and abatement of real property taxes on the Facility for a period of ten years, during which time the Company will make the following PILOT Payments:

Exemption Year 1	\$16,388.05
Exemption Year 2	\$16,715.81
Exemption Year 3	\$17,050.13
Exemption Year 4	\$17,391.13
Exemption Year 5	\$17,738.95
Exemption Year 6	\$36,187.46
Exemption Year 7	\$36,911.21
Exemption Year 8	\$37,649.43
Exemption Year 9	\$38,402.42
Exemption Year 10	\$39,170.47
Exemption Year 11 and thereafter	100% of Exempt Taxes

which is a deviation from the Agency's Uniform Tax Exemption Policy, 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 value of the proposed financial assistance is described below:

Sales and use tax exemption	\$66,000.00 (not to exceed)
Mortgage recording tax exemption	N/A
Real property tax abatement	\$633,521.00 (approximately)

WHEREAS, the Company represented that it will (a) retain 79 full time equivalent positions at the Company's facility at 5166 Commercial Drive, Yorkville, (b) retain 35 full time equivalent positions at the Facility and (c) maintain all for the duration of the Lease Term as a result of undertaking the Facility (the "Employment Obligation"), and the Financial Assistance is conditioned upon the Company maintaining the Employment Obligation for the term of the Lease (or Leaseback) Agreement and failure to do so may result in the termination or recapture of Financial Assistance; and

WHEREAS, prior to the closing of a lease-leaseback transaction and the granting of any financial assistance, the Agency must adopt a SEQR resolution; and

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any financial assistance, a public hearing (the "Hearing") will be held so that

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, can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, and such notice (together with proof of publication) will be substantially in the form annexed hereto as **Exhibit A**; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as **Exhibit B**.

NOW, THEREFORE, BE IT RESOLVED by the Oneida County Industrial Development Agency (a majority of the members thereof affirmatively concurring) that, subject to the satisfaction of the aforesaid conditions:

- Section 1.** (a) The acquisition, construction, renovation and equipping of the Facility and the Agency's financial assistance therefor, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved.
- (b) It is desirable and in the public interest for the Agency to enter into a lease-leaseback transaction, for the purpose of providing financial assistance for the acquisition, construction, renovation and equipping of the Facility, as reflected in the Company's application to the Agency and as amended from time to time prior to the closing of the lease-leaseback transaction, all subject to the satisfaction of the conditions of financial assistance described herein.

**Section 2.** The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the closing of the lease-leaseback transaction, and the development of the Facility (the "Agreement") are hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the

Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

- Section 3. (a) The Company is herewith and hereby appointed the agent of Agency to construct, renovate and equip the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to construct, renovate and equip the Facility. The terms and conditions for the appointment of the Company as agent of the Agency for the purposes described in this resolution are set forth in the form of the attached letter addressed to the Company, marked as **Exhibit C** to this resolution. The form of such letter is incorporated herein by reference and is approved and adopted by the Agency, and the Chairman or Executive Director of the Agency or any other duly authorized official of the Agency are authorized to execute and deliver such letter to the Company. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services, and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency shall be deemed to be on behalf of the Agency and for the benefit of the Facility. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency.
- (b) Based upon representations made by the Company in the Application, the value of the sales tax to be abated relating to the construction and equipping of the Facility currently authorized by the Agency shall not exceed \$66,000.

Section 4. Subject to the conditions set forth in Section 4.02 of the Agreement and the conditions described above, the Agency shall assist the Company in its acquisition, construction, renovation and equipping of the Facility and will provide Financial Assistance with respect thereto.

Section 5. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel in connection with the lease-leaseback transaction.

Section 6. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Agency, all documents necessary to effect the lease-leaseback transaction.

Section 7. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. This resolution shall take effect immediately.

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

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

I have compared the foregoing copy of a resolution of the Oneida County Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on November 17, 2017 at eight a.m., local time, at Rome, New York which the following members were:

Members Present: F. Betrus, M. Fitzgerald, D. Grow, E. Quadraro, M. F. Messenger, S. Zogby

EDGE Staff Present: S. Papale; J. Waters; M. Kaucher; A. Gerardo; C. Mercurio

Others Present: Laura Ruberto, Bond, Schoeneck & King; Mark Levitt, Levitt & Gordon; City of Rome Mayor J. Izzo; Dwight Vicks and Frank Driscoll, Vicks Lithograph ; Nick Matt, Matt Brewing Co; Bill Maxim, NE Regional Council of Carpenters.

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

Voting Aye

Voting Nay

D. Grow  
M. F. Messenger  
E. Quadraro  
S. Zogby  
F. Betrus

M. Fitzgerald abstained and did not participate in the discussion

and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meetings, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meetings were open to the general public and public notice of the time and place of said meetings were duly given in accordance with such Sections 103a and 104, (iii) the meetings in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of February 2018.

  
Shawna Papale, Secretary

**EXHIBIT A**  
**NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Oneida County Industrial Development Agency (the "Agency") on the \_\_\_\_ day of December 2017 at 9:00 a.m., local time, at Whitestown Community Center, 1 Championship Drive, Whitesboro, Oneida County, New York in connection with the following matters:

JGV, LLC, on behalf of itself, the principals of JGV, LLC, or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

The Agency will lease the Facility to the Company pursuant to a Leaseback Agreement. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in renovating the Improvements and abatement of real property taxes for a period of ten (10) years, during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, 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.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: \_\_\_\_\_, 2017

By: /s/ Shawna M. Papale, Executive Director



## EXHIBIT B

### MINUTES OF PUBLIC HEARING

Oneida County Industrial Development Agency  
2017 Real Estate Lease  
JGV, LLC Facility

1. Shawna Papale, Executive Director and Secretary of the Oneida County Industrial Development Agency (the "Agency"), called the hearing to order.
2. The Executive Director then appointed Jennifer Waters, Assistant Secretary of the Issuer, to record the minutes of the hearing.
3. The Executive Director then described the proposed project and related financial assistance as follows:

JGV, LLC, on behalf of itself, the principals of JGV, LLC, or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

The Agency will lease the Facility to the Company pursuant to a Leaseback Agreement. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in renovating the Improvements and abatement of real property taxes for a period of ten (10) years, during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, 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.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

4. The Executive Director then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. Attached is a listing of the persons heard and a summary of their views.
5. The Executive Director then asked if there were any further comments, and, there being none, the hearing was closed at \_\_\_\_ a.m.

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Jennifer Waters, Assistant Secretary

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Oneida County Industrial Development Agency (the "Issuer") on \_\_\_\_\_, 2017 at \_\_\_\_\_ a.m. local time, at Town of Whitestown Community Center, One Championship Way, Whitesboro, New York with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Title 1 of Article 18-A of the New York General Municipal Law, said hearing was open to the general public, and public notice of the time and place of said hearing was duly given in accordance with such Title 1 of Article 18-A, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Secretary

**EXHIBIT C**

(To be copied onto IDA letterhead and delivered  
to the Company, when appropriate.)

\_\_\_\_\_, 2017

Dwight Vicks, President  
JGV, LLC  
5166 Commercial Drive  
Yorkville, New York 13495

RE: *Oneida County Industrial Development Agency  
2018 Lease-Leaseback Transaction (JGV, LLC Facility)*

Dear Mr. Vicks:

Pursuant to a resolution duly adopted on November 17, 2017, Oneida County Industrial Development Agency (the "Agency") appointed JGV, LLC, and/or an entity formed or to be formed on its behalf (collectively, the "Company") its agent in connection with a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Facility, and the following activities as they relate to any construction, renovation, equipping and completion of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with construction, renovation and equipping (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with construction, renovation and equipping and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs), installed or placed in, upon or under such building, including all repairs and replacements of such property.

The agency appointment includes the power to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company chooses so long as they are engaged, directly or indirectly, in the activities hereinbefore described.

In exercising this agency appointment, you and each of your properly appointed agents and subagents must claim the sales tax exemption for all purchases by giving your vendors New York State Form ST-123. The supplier or vendor should identify the Facility on each bill or invoice as the "**JGV, LLC Facility**" and indicate thereon that the Company, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must also execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractors of the Company which delivers completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of renovating and equipping the Facility, and shall only then be authorized to use Form ST-123 as described above. Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.

It is important to note that contractors and subcontractors who have not been appointed subagent cannot use the sales tax exemption for equipment rental, tools, supplies and other items that do not become part of the finished project. Contractors and subcontractors must be appointed as agent or sub-agent of the Agency to use the Agency sales tax exemption for these purchases. Contractors and subcontractors who have not been appointed a subagent must claim the sales tax exemption for construction materials by giving their vendors a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1) checking box (a).

The aforesaid appointment of the Company as agent of the Agency to construct, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) November 17, 2018, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

Based upon representations made by the Company, the value of the sales tax to be abated relating to the construction and equipping of the Facility currently authorized

by the Agency is limited to \$66,000.00, and any exemptions claimed by the Company that exceed this amount will be subject to recapture.

You should be aware that the New York State General Municipal Law requires you to file an Annual Statement (Form ST-340) with the New York State Department of Taxation and Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to the Project. The penalty for failure to file such statement is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name Shawna M. Papale  
Title: Executive Director

ACCEPTED & AGREED:

JGV, LLC

By: \_\_\_\_\_  
Name:  
Title:

RESOLUTION OF THE ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY DETERMINING THAT ACTION TO  
PROVIDE FINANCIAL ASSISTANCE RELATING TO A PROJECT  
FOR THE BENEFIT OF JGV, LLC WILL NOT HAVE A  
SIGNIFICANT EFFECT ON THE ENVIRONMENT

WHEREAS, JGV, LLC, on behalf of itself, the principals of JGV, LLC, or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations"), the Agency desires to determine whether the acquisition, renovation and equipping of the Facility may have a "significant effect on the environment" (as said quoted term is defined in the SEQR Act and the Regulations) and therefore require the preparation of an environmental impact statement; and

WHEREAS, to aid the Agency in determining whether the acquisition, renovation, and equipping of the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency a short environmental assessment form (the "EAF"), a copy of which was presented to and reviewed by the Agency at this meeting and copies of which are on file at the office of the Agency; and

WHEREAS, pursuant to the Regulations, the Agency has examined the EAF in order to make a determination as to the potential environmental significance of the Facility.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based on an examination of the Application, the EAF, and based further upon the Agency's knowledge of the area surrounding the Facility and such further investigation of the Facility and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Facility:

- (A) The Facility is as described in the Application and the EAF;
- (B) The Facility constitutes an "Unlisted Action" (as defined in the Regulations);
- (C) No potentially significant impacts on the environment are noted in the EAF for the Facility, and none are known to the Agency;

(D) The Facility will not result in (i) substantial adverse change in existing air quality; ground or surface water quality or quantity, traffic or noise levels; a substantial increase in solid waste production; or a substantial increase in potential for erosion, flooding, leaching or drainage problems; (ii) the removal or destruction of large quantities of vegetation or fauna; substantial interference with the movement of a resident or migratory fish or wildlife species; impacts on a significant habitat area; substantial adverse impacts on threatened or endangered species of animal or plant, or the habitat of such species; or (iii) other significant adverse impacts to natural resources;

(E) The Facility will not affect a critical environmental area as designated pursuant to 6 NYCRR 617.14(g);

(F) The Facility will not conflict with the community's current plans or goals as officially approved or adopted;

(G) The Facility will not result in the impairment of the character or quality of important historical, archeological, architectural, or aesthetic resources or of existing community or neighborhood character;

(H) The Facility will not result in a major change in the use of either the quantity or type of energy;

(I) The Facility will not result in the creation of a hazard to human health;

(J) The Facility will not result in a substantial change in the use, or intensity of use, of land including architectural, open space or recreational resources, or in its capacity to support existing uses;

(K) The Facility will not result in encouraging or attracting of a large number of people to a place or places for more than a few days, compared to the number of people who would come to such place absent the action;

(L) The Facility will not result in the creation of a material demand for other actions that would result in one or more of the above consequences;

(M) The Facility will not result in changes in two or more elements of the environment, no one of which has a significant impact on the environment, but when considered together result in a substantial adverse impact on the environment; and

(N) The Facility will not result in two or more related actions undertaken, funded or approved by an agency, none of which has or would have a significant impact on the environment, but when considered cumulatively would meet one or more of the criteria in 6 NYCRR Section 617.7(c).

Section 2. The Agency hereby determines that the Facility will not have a significant impact on the environment and the Agency will not require the preparation of an



environmental impact statement with respect to the Facility. As a result, the Agency has prepared a negative declaration with respect to the Facility.

Section 3. The Executive Director of the Agency is hereby directed to file in the Agency's records a negative declaration with respect to the Facility (said negative declaration to be substantially in the form and substantially to the effect of the negative declaration attached hereto).

Section 4. This resolution shall take effect immediately.

[Remainder of page left blank intentionally]

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

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

I have compared the foregoing copy of a resolution of the Oneida County Industrial  
Development Agency (the "Agency") with the original thereof on file in the office of the Agency,  
and the same is a true and correct copy of such resolution and of the proceedings of the Agency  
in connection with such matter.

Such resolution was passed at a meeting of the Board of Directors of the Agency duly  
convened in public session on November 17, 2017 at 8 a.m. local time, at 584 Phoenix Drive,  
Rome, New York at which the following members were:

Members Present: F. Betrus, M. Fitzgerald, D. Grow, E. Quadraro, M. F. Messenger, S.  
Zogby

EDGE Staff Present: S. Papale; J. Waters; M. Kaucher; A. Gerardo; C. Mercurio

Others Present: Laura Ruberto, Bond, Schoeneck & King; Mark Levitt, Levitt & Gordon;  
City of Rome Mayor J. Izzo; Dwight Vicks and Frank Driscoll, Vicks Lithograph ; Nick  
Matt, Matt Brewing Co; Bill Maxim, NE Regional Council of Carpenters.

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

Voting Aye

Voting Nay


D. Grow  
M. F. Messenger  
E. Quadraro  
S. Zogby  
F. Betrus

M. Fitzgerald abstained and did not participate in the discussion

and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all directors of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 27<sup>th</sup> day of February, 2018.

  
Shawna Papale, Secretary

Patricia Zehr

11/29/17

Patricia Zhu

29 day of Nov 2017  
 Theresa B. Mcadden  
 NOTARY PUBLIC ONEIDA CO., N.Y.

## NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Oneida County Industrial Development Agency (the "Agency") on the 12th day of December 2017 at 9:00 a.m. local time, at Whitesboro Community Center, Championship Drive, Whitesboro, Oneida County, New York in connection with the following matters:

JGV, LLC, on behalf of itself and the principals of JGV, LLC, (the "Company"), an entity to be formed on behalf of any of the foregoing (collectively, the "Company"), has applied to the Agency to enter into a transaction, in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 D Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the improvement (the "Equipment"), all for the purpose of publishing and distributing educational materials and methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility") at the renovation and equipping of the Improvements referred to as the "Project". The Facility will be initially operated and/or managed by the Company.

The Agency will lease the Facility to the Company pursuant to a Leaseback Agreement. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and equipment used or incorporated in renovating the Improvements and abatement of real property taxes for a period of ten (10) years during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency Uniform Tax Exemption Policy, to be more particularly described in a Financial Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

A representative of the Agency will at the above-stated time and place hear and accept written comment from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 510 Phoenix Drive, Rome, New York.

ONEIDA COUNTY  
INDUSTRIAL  
DEVELOPMENT AGENCY

## MINUTES OF PUBLIC HEARING

### Oneida County Industrial Development Agency 2018 Real Estate Lease JGV, LLC Facility

1. Mark Kaucher, an authorized representative of the Oneida County Industrial Development Agency (the "Agency"), called the hearing to order and recorded the minutes of the hearing.
2. Mr. Kaucher then described the proposed project and related financial assistance as follows:

JGV, LLC, on behalf of itself, the principals of JGV, LLC, or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

The Agency will lease the Facility to the Company pursuant to a Leaseback Agreement. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in renovating the Improvements and abatement of real property taxes for a period of ten (10) years, during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, 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.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the

Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

3. Mr. Kaucher then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. Attached is a listing of the persons heard and a summary of their views.
5. Mr. Kaucher then asked if there were any further comments, and, there being none, the hearing was closed at 9:15 a.m.

  
\_\_\_\_\_  
Mark Kaucher, Authorized Representative

Anthony J. Picente Jr.  
County Executive

Shawna M. Papale  
Secretary/  
Executive Director

Jennifer Waters  
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY



584 Phoenix Drive  
Rome, New York 13441-4105  
(315) 338-0393, fax (315) 338-5694

David C. Grow  
Chairman

Michael Fitzgerald  
Vice Chairman

Mary Faith Messenger  
Treasurer

Ferris Betrus Jr.  
Eugene Quadraro  
Stephen Zogby

TO: OCIDA Board of Directors

FROM: Jennifer Waters

DATE: December 12, 2017

RE: December 12, 2017 Public Hearing Minutes– JVG, LLC

**Attendees:**

Dwight Vicks, JVG, LLC; Frank Driscoll, Vicks Lithograph)

**Representing the Agency:** Mark Kaucher

Public hearing opened at 9:00 AM.

Reading of the public hearing notice was waived.

There were no comments.

Public Hearing was closed at 9:20 AM.

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Oneida County Industrial Development Agency (the "Issuer") on December 12, 2017 at 9:00 a.m. local time, at Town of Whitestown Community Center, One Championship Way, Whitesboro, New York with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Title 1 of Article 18-A of the New York General Municipal Law, said hearing was open to the general public, and public notice of the time and place of said hearing was duly given in accordance with such Title 1 of Article 18-A, (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of February 27, 2018.

  
Secretary



Re: ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

STATE OF NEW YORK     )  
                                      )     SS:  
COUNTY OF ONEIDA     )

Curnin C. Maloy, being duly sworn, deposes and says:

On November 27, 2017 she deposited in a post office box regularly maintained by the United States Government in the City of Utica, New York, a copy of the Notice of Public Hearing to be held on the 12<sup>th</sup> day of December, 2017 at 9:00 AM local time, at the Whitestown Community Center, One Championship Drive, Whitesboro, New York, relating to the JGV, LLC Facility, copies of said Notices are attached hereto and made a part hereof, to the following parties at their respective addresses set forth below:

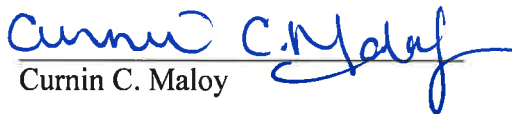
Anthony J. Picente, Jr.  
Oneida County Executive  
800 Park Avenue  
Utica, New York 13501

Shaun J. Kaleta, Supervisor  
Town of Whitestown  
8539 Clark Mills Road  
Whitesboro, New York 13492

Therese Hanna, President  
Board of Education  
Oriskany Central School District  
1313 Utica Street  
Oriskany, New York 13424

Timothy Gaffney, Superintendent  
Oriskany Central School District  
1313 Utica Street  
Oriskany, New York 13424

Alicia D. Koster  
School Business Administrator  
Oriskany Central School District  
1313 Utica Street  
Oriskany, New York 13424

  
Curnin C. Maloy

Sworn to before me this 27<sup>th</sup>  
day of November, 2017

  
Notary Public

LAURA S. RUBERTO  
Notary Public, State of New York  
Appointed in Oneida County  
Reg. No. 01RU5031396  
Commission Expires August 1, 2018

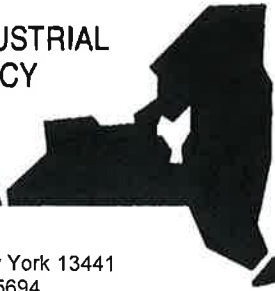
Anthony J. Picente Jr.  
County Executive

Shawna Papale  
Secretary/  
Executive Director

Jennifer Waters  
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

**OCIDA**



584 Phoenix Drive, Rome, New York 13441  
(315) 338-0393, fax (315) 338-5694  
[info@mvedge.org](mailto:info@mvedge.org); [www.mvedge.org](http://www.mvedge.org)

David C. Grow, Chairman  
Michael Fitzgerald, Vice Chairman  
Mary Faith Messenger, Treasurer

Ferris Betrus Jr.  
Eugene Quadraro  
Steven Zogby

November 27, 2017

Mr. Anthony J. Picente, Jr.  
Oneida County Executive  
Oneida County Office Building  
800 Park Avenue  
Utica, New York 13501

**Re: JGV, LLC Facility**

Dear Sir:

On December 12, 2017 at 9:00 a.m., local time, at the Whitestown Community Center, One Championship Drive, Whitesboro, New York 13492, the Oneida County Industrial Development Agency (the "Agency") will conduct a public hearing regarding this project for JGV, LLC. Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency. The Notice has been submitted to the *Observer-Dispatch*, Utica, New York for publication.

You are welcome to attend such hearing at which time you will have an opportunity, both orally and in writing, to present your views with respect to the project. We are providing this notice to you, pursuant to Chapters 356 and 357 of the Laws of 1993, as the chief executive officer of an affected tax jurisdiction within which the project is located.

Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Shawna Papale at the Agency at telephone number 315-338-0393.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:

  
Shawna M. Papale, Executive Director

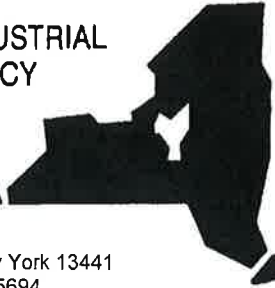
Anthony J. Picente Jr.  
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November 27, 2017

Shaun J. Kaleta, Supervisor  
Town of Whitestown  
8539 Clark Mills Road  
Whitesboro, NY 13492

**Re: JGV, LLC Facility**

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Very truly yours,

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:

  
Shawna M. Papale, Executive Director

Anthony J. Picente Jr.  
County Executive

Shawna Papale  
Secretary/  
Executive Director

Jennifer Waters  
Assistant Secretary

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David C. Grow, Chairman  
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Steven Zogby

November 27, 2017

Therese Hanna, President  
Board of Education  
Oriskany Central School District  
1313 Utica Street  
Oriskany, New York 13424

**Re: JGV, LLC Facility**

Dear Madam:

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You are welcome to attend such hearing at which time you will have an opportunity, both orally and in writing, to present your views with respect to the project. We are providing this notice to you, pursuant to Chapters 356 and 357 of the Laws of 1993, as the chief executive officer of an affected tax jurisdiction within which the project is located.

Should you desire to discuss this matter or if you have any questions concerning this notice please feel free to contact Shawna Papale at the Agency at telephone number 315-338-0393.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:

  
Shawna M. Papale, Executive Director

c: Timothy Gaffney, Superintendent  
Alicia D. Koster, School Business Administrator

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Oneida County Industrial Development Agency (the "Agency") on the 12th day of December 2017 at 9:00 a.m., local time, at Whitestown Community Center, 1 Championship Drive, Whitesboro, Oneida County, New York in connection with the following matters:

JGV, LLC, on behalf of itself, the principals of JGV, LLC, or an entity to be formed on behalf of any of the foregoing (collectively, the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed by the Company.

The Agency will lease the Facility to the Company pursuant to a Leaseback Agreement. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in renovating the Improvements and abatement of real property taxes for a period of ten (10) years, during which time the Company will make fixed PILOT Payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, 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.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company with the Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: November 27, 2017

By: /s/ Shawna M. Papale, Executive Director

## INDUCEMENT AGREEMENT AND PROJECT AGREEMENT

THIS INDUCEMENT AGREEMENT AND PROJECT AGREEMENT RELATING TO THE **JGV, LLC FACILITY** (the "AGREEMENT") is between the **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at 584 Phoenix Drive, Rome, New York 13441 (the "Agency"), and **JGV, LLC**, a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 5166 Commercial Drive, Yorkville, New York 13495 (the "Company").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this AGREEMENT are the following:

1.01. The Agency is authorized and empowered by the provisions of Article 18-A of the General Municipal Law of the State of New York as amended, and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act") to undertake "Projects" (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable.

1.02. The purposes of the Act are (i) to promote industry and develop trade by inducing manufacturing, industrial, warehousing, research, recreation and commercial enterprises to locate or remain in the State and (ii) to encourage and assist in the providing of industrial pollution control facilities and (iii) to promote the economic welfare and prosperity of the inhabitants of the State. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes.

1.03. (a) The Company has submitted to the Agency an Application for Financial Assistance dated November 13, 2017, which Application may be amended from time to time prior to closing of the sale-leaseback or lease-leaseback transaction described below (the "Application") requesting that the Agency assist in the acquisition and renovation of a 103,000± square foot building (the "Improvements") situated on a 9.16± acre parcel of land located at 123 Dry Road, Town of Whitestown, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of publishing and distributing educational music methods and preserving employment (the Land, the Improvements and the Equipment is referred to collectively as the "Facility" and the renovation and equipping of the Improvements is referred to as the "Project"). The Company will lease the Facility to the Agency and the Agency will lease the Facility back to the Company pursuant to a Leaseback Agreement (the "Leaseback Agreement"). The Company will further sublease the Facility to Vicks Logistic Corp. (the "Sublessee") for its operation.

1.04. The Company hereby represents to the Agency that the Project (a) will not result in the removal of an industrial or manufacturing plant from one area of the State to another area of the State or an abandonment of one or more plants of the Company located in the State; (b) is reasonably necessary to discourage the Company from removing such other plant or facility to a location outside the State, or (c) is reasonably

necessary to preserve the competitive position of the Company in its industry. The renovation and equipping of the Facility has not/did not commence(d) as of November 17, 2017.

1.05. The Agency has determined that the acquisition, construction, renovation and equipping of the Facility, as described in the Company's Application will promote and further the purposes of the Act.

1.06. On November 17, 2017, the Agency adopted a resolution (the "Resolution" or the "Inducement Resolution") agreeing to undertake the Project in order to assist the Company and to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to such undertaking and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, to undertake a sale-leaseback or lease-leaseback transaction in connection with the Project.

1.07. In the Resolution, the Agency appointed the Company and its agents and other designees, as its agent for the purposes of acquiring, constructing, renovating and equipping the Facility, and such appointment includes the following activities as they relate to the acquisition, construction, renovation 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 acquiring, constructing, renovating and equipping the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquiring, constructing, renovating and equipping 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, including all repairs and replacements of such property. Such agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent 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 the Agency could do if acting on its own behalf.

1.08. (a) In the Resolution, the Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes on materials and/or equipment used or incorporated in the Facility and abatement of real property taxes on the Facility for a period of ten (10) years during which time the Company will make fixed PILOT Payments, which represents a deviation from the Agency's Uniform Tax Exemption Policy, 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 (collectively, the "Financial Assistance").



(b) Based upon representations made by the Company in the Application, the value of the Financial Assistance is described as follows:

Sales and use tax exemption	\$66,000.00 (not to exceed)
Mortgage recording tax exemption	N/A
Real property tax abatement	\$633,521.00 (approximately)

1.09. It is understood and agreed by the parties that the purpose of the Agency's provision of Financial Assistance with respect to the Project is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of the Project facility to advance job opportunities, health, general prosperity and economic welfare of the people of Oneida County and to otherwise accomplish the public purpose of the Act.

1.10. Attached as Exhibit A to this Agreement is a copy of the PILOT Agreement that reflects the Financial Assistance currently contemplated by the Agency in the Resolution. The Company acknowledges that the Agency (a) reserves all rights to amend the PILOT Agreement to reflect the terms of the Financial Assistance for which the Agency grants final approval as it authorizes in the final authorizing resolution and (b) is under no obligation to enter into the PILOT Agreement unless all conditions described in Section 4.02 hereof are met to the satisfaction of the Agency.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of the Company regarding the Facility and subject to the conditions set forth herein, the Agency hereby confirms and acknowledges:

2.01. Upon satisfactory completion of the conditions precedent set forth herein and in the Resolution and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, the Agency will (A) adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) a sale-leaseback or lease-leaseback transaction, (ii) the acquisition, construction, renovation and equipping of the Facility, and (iii) the leasing of the Facility to the Company pursuant to the Lease (or Leaseback) Agreement, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company and (B) shall enter into a sale-leaseback or lease-leaseback transaction pursuant to the terms of the Act, as then in force, for the purpose of financing certain costs of the Facility.

2.02. The Lease (or Leaseback) Agreement shall be for a ten (10) year term and shall obligate the Company to make aggregate basic payments in the amount of \$500.00 as and when the same shall become due and payable. The Company shall be entitled to acquire from the Agency title to (or terminate the Agency's leasehold interest in) the Facility for an aggregate amount of \$1.00, plus such additional amounts as shall be prescribed in the Lease (or Leaseback) Agreement. Specifically, the Lease (or Leaseback) Agreement shall contain a provision that will allow the Company to



terminate the Lease (or Leaseback) Agreement at any time upon written notice to the Agency and upon payment by the Company of all applicable fees, penalties and recapture of benefits, if applicable. The Lease (or Leaseback) Agreement shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and the Company.

2.03. That all services, costs and expenses of whatever nature incurred in connection with the construction, renovation, equipping, installation, replacement, rebuilding, restoration, repair, maintenance and operation of the Facility have been and will continue to be undertaken by the Company as agent for the Agency, regardless of whether such services, costs and expenses were undertaken and/or paid in its own name or in the name of the Agency, and the Agency shall furnish to the Company an appropriate letter on Agency letterhead evidencing the authority of the Company to act as agent of the Agency.

2.04. That, in connection with any lease by the Agency to the Company that is, in turn, subleased or leased by the Company, it is the intent of all parties to the transactions that any sublease or lease is undertaken by the Company as agent for the Agency.

2.05. That, at the request of the Company, and subject to the agreement between the Agency and the Company, any future transfers of fee or leasehold interest of any portion of real property upon which the Facility is located and not owned by the Agency, are hereby authorized, such transfers to be from the Company to the Agency, and there shall be no need for any further official action on behalf of the Agency other than the execution of the appropriate documents evidencing such transfer.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency herein and in the Resolution and subject to the conditions set forth herein and in the Resolution, the Company agrees as follows:

3.01. The Company hereby accepts the appointment made by the Agency in the Resolution to be the true and lawful agent of the Agency to (i) construct, equip, repair and maintain the Facility and (ii) make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of 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 the same validity as the Agency could do if acting on its own behalf, including the authority to delegate such Agency appointment, as described in the Resolution.

3.02. In the Application, the Company represented that it will (a) retain 79 full time equivalent positions at the Company's facility at 5166 Commercial Drive, Yorkville, (b) 35 full time equivalent positions at the Facility and (c) maintain all for the duration of the Lease Term as a result of undertaking the Facility (the "Employment Obligation"). The Company acknowledges that the Financial Assistance is conditioned upon the Company maintaining the Employment Obligation for the full term of the Lease (or Leaseback) Agreement and failure to do so may result in the termination or recapture of Financial Assistance.

3.03. The Company will, to the extent deemed by it to be necessary or desirable, enter into a contract or contracts for the acquisition, renovation and equipping of the Facility (including any necessary contracts for the acquisition of real property necessary or useful in said Facility).

3.04. Contemporaneously with the closing of the sale-leaseback or lease-leaseback transaction the Company will enter into the Lease (or Leaseback) Agreement with the Agency containing, among other things, the terms and conditions described in Section 2.02 hereof.

3.05. (a) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove (or bond the same if acceptable to the Agency and its counsel), any mechanics' or other liens against the Facility for labor or materials furnished in connection with the acquisition, renovation and equipping of the Facility. The Company shall forever defend, indemnify and hold the Agency, its members, officers, employees, and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, harmless from and against all costs, losses, expenses, claims, damages and liabilities of whatever kind or nature arising, directly or indirectly, out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, construction, renovation and equipping of the Facility or arising out of any contract or other arrangement therefor (and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company acting as agent for the Agency pursuant to this AGREEMENT or otherwise.

(b) The Company shall forever defend, indemnify and hold harmless the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, from and against all claims, causes of action, liabilities and expenses (including without limitation attorneys' fees) howsoever arising for loss or damage to property or any injury to or death of any person (including, without limitation, death of or injury to any employee of the Company or any sublessee) that may occur subsequent to the date hereof by any cause whatsoever in relation to the Facility including the failure to comply with the provisions of Article 3.05 hereof, or arising, directly or indirectly, out of the ownership, renovation, equipping, acquisition, operation, maintenance, repair or financing of the Facility, and including,

without limitation, any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(c) The defense and indemnities provided for in this Article 3 shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by law. Without limiting the generality of the foregoing, the foregoing indemnifications shall apply to and encompass any action (or alleged failure to act) of the Agency pursuant to the SEQR Act.

(d) The Company shall provide and carry workers' compensation and disability insurance as required by law and comprehensive liability insurance with such coverages (including, without limitation, owner's protective for the benefit of the Agency and contractual coverage covering the indemnities herein provided for), with such limits and with such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates of insurance in form satisfactory to the Agency evidencing such insurance.

3.06. With the exception of the authorizations required to be adopted by the Agency for the Agency to enter into the sale-leaseback or lease-leaseback transaction, the Company agrees that, as agent for the Agency or otherwise, it will comply with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or the Company with respect to the Facility, the acquisition, renovation and equipping thereof, the operation and maintenance of the Facility and the financing thereof. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full; and upon the request of either party, this AGREEMENT shall be amended to specifically set forth any such provision or provisions. The Company certifies, under penalty of perjury, that it is in substantial compliance with all local, state and federal tax, worker protection and environmental laws, rules and regulations.

3.07. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.08. If it should be determined that any State or local sales or compensatory use taxes or similar taxes however denominated are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Project, or are in any manner otherwise payable directly or indirectly in connection with the Project, the Company shall pay the same and defend and

indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.09. The Company shall file with the New York State Department of Taxation and Finance an annual statement of the value of all sales and use tax exemptions claimed in connection with the Facility, in compliance with Section 874(8) of the New York State General Municipal Law. The Company shall provide the Agency with a copy of such annual statement at the time of filing with the State Department of Taxation and Finance. Based upon representations made by the Company in the Application, the value of the sales tax to be abated relating to the Project is estimated at \$60,000.00. The Company acknowledges that the financial assistance currently authorized by the Agency is limited to \$66,000.00, and the Agency is required by law to recapture the New York State portion of sales tax of any exemptions claimed by the Company that exceed this amount.

3.10. If the Facility is leased to another party by the Agency and subleased to the Company, then in such event, the Company guarantees all of the covenants, undertakings and indemnities of such other party as set forth in this Article 3.

3.11. The Company shall provide annually, to the Agency, a certified statement and documentation: (i) enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the Financial Assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the Project location, and (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that was provided in the application for Financial Assistance is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created. Exhibit B contains the form of annual certification as well as additional Project assessment information that the Agency requires, on an annual basis, to be submitted to the Agency by the Company. If the Company does not provide said annual certified statement to the Agency by the stated due date, a \$500.00 late fee will be charged to the Company for each thirty (30) day period the report is late beyond the due date, up until the time the report is submitted.

3.12. In accordance with Section 875(3) of the General Municipal Law, the policies of the Agency, and the Resolution, the Company covenants and agrees that it may be subject to recapture of any and all Financial Assistance if it is determined by the Agency that:

(a) the Company or its subagents, if any, authorized to make purchases for the benefit of the Project is not entitled to the sales and use tax exemption benefits; or

(b) the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company or its subagents, if any; or

(c) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or

(d) the Company has made a material false or misleading statement, or omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, on its application for Financial Assistance; or

(e) the Company fails to meet and maintain the Employment Obligation; or

(f) the Company failed to submit to the Agency its annual report so that the Agency can confirm that the Project is achieving the Employment Obligation and other objectives of the Project.

If the Agency determines to recapture any Financial Assistance, the Company agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all Financial Assistance obtained by the Company and (ii) promptly pay over any or all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s), unless agreed to otherwise by any tax jurisdiction(s). The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine the New York State and local sales and use tax due from the Company, together with any relevant penalties and interest due on such amounts.

#### Article 4. General Provisions.

4.01. This AGREEMENT sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; no Financial Assistance shall be provided to the Company prior to the effective date of this Agreement. This AGREEMENT shall remain in effect until the Lease (or Leaseback) Agreement becomes effective. It is the intent of the Agency and the Company that this AGREEMENT be superseded in its entirety by the Lease (or Leaseback) Agreement, except for the indemnities and guarantee of indemnities contained herein, which shall survive.

4.02. It is understood and agreed by the Agency and the Company that entering into the sale-leaseback or lease-leaseback transaction and the execution of the Lease (or Leaseback) Agreement and related documents are subject to (i) obtaining all necessary governmental approvals, (ii) approval of the directors of the Company, (iii) approval of the members of the Agency, (iv) satisfactory completion of the environmental review of the Facility by the Agency in compliance with the State Environmental Quality Review Act, (v) agreement by the Agency and the Company

upon mutually acceptable terms and conditions for the Lease (or Leaseback) Agreement and other documentation usual and customary to transactions of this nature, (vi) the condition that there are no changes in New York State Law which prohibit or limit the Agency from fulfilling its obligation and commitment as herein set forth to enter into the sale-leaseback or lease-leaseback transaction and (vii) payment by the Company of the Agency's transaction fee and the fees and disbursements of bond counsel or transaction counsel. The Agency's transaction fee is calculated based upon the size of the project; based upon the projections in the Company's Application, the transaction fee for this project is estimated at \$8,894.25, which will be payable in full at closing.

4.03. The Company agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses that the Agency may incur as a consequence of executing this AGREEMENT or performing its obligations hereunder. Examples of such expenses include, but are not limited to, photocopies, phone and fax charges, postage and other shipping charges incurred in connection with closing the lease-leaseback transaction or complying with any requests after closing relating to the lease-leaseback transaction, including but not limited to requests under the Freedom of Information Act, requests relating to the Project.

4.04. If for any reason the sale-leaseback or lease-leaseback transaction does not close on or before twelve (12) months from the execution hereof, the provisions of this AGREEMENT (other than the provisions of Articles 3.05, 3.06, 3.07 and 3.08 above, which shall survive) shall, unless extended by agreement of the Agency and the Company (whether before or after such original expiration date), terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses which were authorized by the Company and incurred by the Agency in connection with the acquisition, renovation and equipping of the Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency, counsel for the Agency and Transaction Counsel incurred in connection with the Project and will pay the reasonable fees of counsel for the Agency and Transaction Counsel for legal services relating to the Project or the proposed financing thereof.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have entered into this AGREEMENT to be effective as of November 17, 2017.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
David C. Grow  
Chairman

JGV, LLC

By:   
Dwight Vicks  
President

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

Dwight Vicks, being first duly sworn, deposes and says:

1. That I am the President of JGV, LLC (Company) and that I am duly authorized on behalf of the Company to bind the Company and to execute this Agreement.
2. That the Company confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the Project is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury  
this 26<sup>th</sup> day of February, 2018.

  
(Notary Public)

ATTORNEY KEVIN G. MARTIN  
Notary Public, State of New York  
Qualified in Oneida County  
Commission Expires: 09/29/20 18  
Reg# 02MA6312216