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Michael Torelli, Chairman • **Dean Tamburri**, Vice Chairman • **Vincent Odock**, Secretary • **Robert Kennedy III**, Board Member
Noel Spencer, Board Member • **James Rinaldi**, Board Member • **Susan Walski**, Board Member
Bill Fioravanti, Chief Executive Officer • **Susan R. Katzoff**, General Counsel • **Russell E. Gaenzle**, Bond Counsel

Revised Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on March 16, 2022, immediately following the Orange County Funding Corporation meeting at the Orange County Government Center, 255 Main St., Goshen NY in the First Floor Community Room to consider and/or act upon the following:

Order of Business

- **Call Meeting to Order**
- **Pledge of Allegiance**
- **Roll Call**
- **Proof of Notice**
- **Minutes**
 - Approval of the minutes from the February 16th, 2022 BOD meeting
- **Finance**
 - February 2022 Financial Reports
 - Audit Update
 - February/March payables
- **Chairman’s Report**
- **CEO Report**
- **New Business**
 - South Gate Flats, LTD
 - 1. Second Supplemental Final Resolution
 - CITIVA Medical LLC
 - Approval of Resolutions authorizing the Agency to undertake the Project
 - 1. Cost Benefit Analysis
 - 2. Final Resolution
 - New Leases: Middletown Accelerator
 - Local Labor Audit RFP
 - Shovel Ready – Properties Analysis RFQ
- **Unfinished Business**
- **Adjournment**

To watch the livestream, please visit our website: www.ocnyida.com

Dated: March 11, 2022

By: William Fioravanti – Chief Executive Officer



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Date: March 02, 2022
From: Mike Torelli
RE: Next Meeting Date

IDA Board Meeting Notice

The next Board of Directors meeting of the
Orange County Industrial Development Agency is:

**Wednesday, March 16, 2022
immediately following the
5:30pm OCFC meeting**

**OC Government Center
255 Main Street, Goshen
Community Room**

To watch the livestream, please visit our website: www.ocnyida.com

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES: FEBRUARY 16, 2022, BOARD OF DIRECTORS
MEETING

A meeting of the Orange County Industrial Development Agency was convened Wednesday, February 16, 2022, at 5:35 p.m.

The meeting was called to order by Chairman Torelli, immediately followed by the Pledge of Allegiance.

A roll call of the Board members showed six present. There is a quorum. The following are all who were in attendance:

PRESENT: Michael Torelli, Vincent Odock, Robert Kennedy, III, Noel Spencer, Dean Tamburri, Susan Walski

ABSENT: James Rinaldi

ALSO PRESENT: Bill Fioravanti – Chief Executive Officer
Sue Katzoff – General Counsel
Steven Maier – Harris Beach/Bond Counsel
Shannon Mannese – Finance/RBT
Dennis Brady – Technical Support
Steve McClure – Walgreens (via Zoom)
Kristin Kurylak – West Warwick Energy (via Zoom)
Dan Spitzer – West Warwick Energy (via Zoom)

A motion by Chairman Torelli to accept the minutes of the January 19, 2022, IDA Board meeting was accepted and opened for questions or comments.

Hearing no objections to the minutes, a motion was made by Mr. Tamburri, seconded by Mr. Odock, and passed unanimously.

Proof of Notice

Counsel confirmed proof of notice.

Members of the Orange County Legislature briefly addressed the Board to thank them for the work they have accomplished over the last year.

Finance Report

Ms. Mannese presented the Financial Report and noted that as of January, the IDA has received \$20,000 in application fees, \$7,400 in rent, \$27,473 including funds from the Accelerator, and the total admin costs are at \$38,147. Ms. Mannese also stated that with legal expenses and projects, the IDA is in line with its budget. She noted that with some of the current coding, the numbers would have to be reviewed again to reconcile. She reviewed the Bill.com platform in detail which the Chairman agreed to review further with the Finance committee and make it a topic for the March 2022 Board meeting.

January/February Payables: Mr. Fioravanti reviewed the Warwick Common Area Maintenance and internet charges and stated that these fees are recoverable. He advised the Board that some of the telephone/internet accounts for the Newburgh and New Windsor Accelerator locations have been transferred to the subtenants and the responsibility to pay these bills no longer rests on the IDA.

After a question from Mr. Spencer about year-end 1099 forms and with no further questions or concerns, a motion to accept the recurring building services was made by Mr. Spencer, seconded by Mr. Tamburri, and passed unanimously.

Monthly Payables: Mr. Fioravanti reviewed the payables line by line.

With no further questions or concerns, a motion to accept the monthly payables was made by Mr. Tamburri, seconded by Mr. Odock, and passed unanimously.

All Other: Mr. Fioravanti reviewed the professional fees, the Public Hearing ads, and the Youth Bureau fee of \$10,000 that was approved by the previous Board. The Chairman explained the need for supporting documentation for the current Board members and

research by the staff to discern if it would better to support the Agents of the IDA through the OCFC rather than the IDA. The Chairman chose to postpone a decision on payment to the Youth Bureau until next month.

A motion to accept the monthly payables, less the \$10,000 Youth Bureau amount, was made by Mr. Spencer, seconded by Mr. Tamburri, and passed unanimously.

Mr. Fioravanti concluded his report by stating that the 2021 IDA audit is ongoing with the assistance of JGS.

Chairman's Report

The Chairman opened by welcoming the newly elected IDA Board Members and requested that Counsel and Staff prepare an introductory/educational webinar to explain the processes of new and existing projects. The Chairman requested that a reformulating of the Committees be done before the March 2022 IDA meeting. He went on to discuss potential projects and advised the Board of the ABO training, paperwork, and disclosures they are required to complete for the purposes of full transparency and to gain back the public's trust.

CEO Report

Mr. Fioravanti addressed the performance review for the IDA Project Manager, Mrs. Kelly Reilly, and noted that it was positive and that a full team is being put together with procurements still being made for an extended team. He added that a Public Hearing for the Citiva project is being scheduled and that the IDA is continuing to get press and give interviews. Mr. Fioravanti will be presenting in front of NYSCAR as well as the Association of Towns in the near future.

New Business:

Mr. Fioravanti stated that the IDA has selected MRB Group to conduct the Cost Benefit Analysis for the Walgreens (Nucleus) project which will be posted to the IDA website. He also briefly explained how the sales taxes are being distributed for the South Gate Flats project and gave a quick history on the approval made by the previous Board and explained the project's request for increased benefits.

With no further questions or concerns, a motion to approve the increase in sales, use, and mortgage reporting taxes for the South Gate Flats project as requested in the resolution was made by Mr. Tamburri, seconded by Ms. Walski, and passed unanimously.

Mr. McClure explained Walgreens's dialogue with the town and noted that the Cost Benefit Analysis showed benefits to the local area including the jobs that will be created. The Chairman stated that he is in full support of this project and believes the IDA should pursue it. Mr. Fioravanti explained that there will be no construction or build-out with this request and that their request for benefits is only for the installation of their specialized equipment.

With no further questions or concerns, Counsel introduced a motion to approve the SEQR resolution for the Walgreens project. The motion was made by Mr. Tamburri, seconded by Mr. Kennedy, and passed by unanimous roll call.

Counsel reviewed the final resolution that addresses what is authorized for this project.

With no further questions or concerns, a motion to accept the final resolution for the Walgreens project was made by the Chairman, seconded by Mr. Odock, and passed by a unanimous roll call.

Mr. Fioravanti reviewed the applications for financial assistance and the public hearing resolutions for the West Warwick Energy Storage projects 1, 2, and 3 separately. He explained that while the projects themselves will create temporary jobs, it will provide affordable power in the area. Ms. Kurylak and Mr. Spitzer provided background on the projects and the economic impact of this project.

After some questions and clarification on the West Warwick Energy Storage 1 project, a motion to approve a public hearing was made by Mr. Spencer, seconded by Mr. Tamburri, and passed with five ayes and one nay.

Mr. Fioravanti reviewed the application for financial assistance and the public hearing

resolutions for West Warwick Energy Storage 2.

With no further questions or concerns, a motion to approve a public hearing for West Warwick Energy Storage 2 was made by Mr. Kennedy, seconded by Mr. Spencer, and passed with five ayes and one nay.

Mr. Fioravanti reviewed the application for financial assistance and the public hearing resolutions for West Warwick Energy Storage 3.

With no further questions or concerns, a motion to approve a public hearing for West Warwick Energy Storage 3 was made by Mr. Odock, seconded by the Chairman, and passed with five ayes and one nay.

Mr. Fioravanti requested that the agenda topics of Local Labor and Shovel Ready be tabled until next month pending further research and analysis.

Counsel reviewed the request to approve two new officers of the IDA Board: Mr. Tamburri as Vice Chair and Mr. Odock as Secretary.

A motion to approve these appointments was made by Mr. Kennedy, seconded by Mr. Tamburri, and passed by unanimous roll call.

A motion to go into Executive Session to discuss an update on potential litigation was made.

The meeting closed at 9:00 pm.

**Orange County IDA
Income and Expense Summary
February 2022**

	Feb	YTD	Budget	Over/(Under)
Income				
Closing Fees	\$ -	\$ -	\$ 810,000	\$ (810,000)
Application Fees	\$ 10,000	\$ 30,000	\$ 10,000	\$ 20,000
Legal Fees (pass-thru)	\$ -	\$ -	\$ 10,000	\$ (10,000)
Local Labor Auditing Fees (pas-thru)	\$ -	\$ -	\$ 110,000	\$ (110,000)
Other IDA Fees	\$ -	\$ -	\$ 33,300	\$ (33,300)
Subtenant Rents	\$ 11,784	\$ 19,258	\$ 48,489	\$ (29,231)
Interest Earnings	\$ 236	\$ 498	\$ 12,000	\$ (11,502)
Recovered Funds	\$ -	\$ -	\$ -	\$ -
Total Income	\$ 22,021	\$ 49,756	\$ 1,033,789	\$ (984,033)
Expenses				
Administrative Expenses				
Bank Service Charge	\$ 11	\$ 22	\$ -	\$ 22
Salaries	\$ 18,466	\$ 37,083	\$ 284,160	\$ (247,077)
Benefits	\$ -	\$ -	\$ 33,000	\$ (33,000)
Payroll taxes and fees	\$ 4,442	\$ 9,840	\$ 28,416	\$ (18,576)
Fiscal Audit	\$ 3,920	\$ 11,320	\$ 65,000	\$ (53,680)
Insurance	\$ -	\$ -	\$ 8,927	\$ (8,927)
CFO/Bookkeeping Service	\$ 4,195	\$ 4,195	\$ 23,500	\$ (19,305)
Professional Fees	\$ 600	\$ 974	\$ 4,000	\$ (3,026)
Travel, Lodging & Meals	\$ -	\$ 40	\$ 5,800	\$ (5,760)
Conference Expense	\$ -	\$ -	\$ -	\$ -
Office Supplies and Postage	\$ 800	\$ 2,484	\$ 11,400	\$ (8,916)
Miscellaneous Expense	\$ -	\$ 2,000	\$ -	\$ 2,000
Accelerator Without Walls	\$ -	\$ -	\$ -	\$ -
Special Initiatives	\$ -	\$ -	\$ -	\$ -
Total Administrative Costs	\$ 32,422	\$ 67,935	\$ 464,203	\$ (352,334)
Projects/Programs				
Legal Counsel	\$ -	\$ 163	\$ 100,000	\$ (99,838)
Bond Counsel	\$ -	\$ -	\$ 10,000	\$ (10,000)
Local Labor Auditing Fees (Pas-thru)	\$ -	\$ -	\$ 110,000	\$ (110,000)
Local Labor Auditing Admin. Cost	\$ -	\$ -	\$ -	\$ -
Cost-Benefit Analyses	\$ -	\$ -	\$ 4,500	\$ (4,500)
Shovel Ready Program	\$ -	\$ -	\$ 300,000	\$ (300,000)
Accelerator Projects	\$ -	\$ -	\$ -	\$ -
Research & Support	\$ -	\$ -	\$ 20,000	\$ (20,000)
Total Agency Contribution Costs	\$ -	\$ 163	\$ 544,500	\$ (544,338)
Building Expenses				
Rent	\$ 12,710	\$ 24,220	\$ 154,086	\$ (129,866)
Utilities	\$ 2,347	\$ 5,461	\$ 52,720	\$ (47,259)
Insurance	\$ -	\$ -	\$ 24,000	\$ (24,000)
Repairs / Renovations	\$ 75	\$ 114	\$ 5,000	\$ (4,886)
Maintenance	\$ 2,453	\$ 4,994	\$ 102,656	\$ (97,662)
Renovations	\$ -	\$ -	\$ 3,000	\$ (3,000)
Cleaning	\$ -	\$ -	\$ -	\$ -
Internet & Telephones	\$ 1,080	\$ 9,465	\$ 27,720	\$ (18,255)
Equipment Maintenance	\$ -	\$ -	\$ 1,500	\$ (1,500)
Total Building Expenses	\$ 18,665	\$ 44,253	\$ 370,682	\$ (129,866)
Agency Support Expenses				
IT Support & Audio/Visual	\$ -	\$ -	\$ 30,000	\$ (30,000)
Marketing & PR	\$ 3,037	\$ 11,834	\$ 48,000	\$ (36,166)
Memberships	\$ 260	\$ 260	\$ 5,650	\$ (5,391)
Training and Education	\$ -	\$ -	\$ 4,500	\$ (4,500)
Total Agency Support Expenses	\$ 3,297	\$ 12,094	\$ 88,150	\$ (76,056)
Contracted Services				
External Projects & Programs (Agents)	\$ -	\$ 10,000	\$ 110,000	\$ (100,000)
Total Contracted Services	\$ -	\$ 10,000	\$ 110,000	\$ (100,000)
Total Expenses	\$ 54,384	\$ 134,444	\$ 1,577,535	\$ (1,202,594)
Income Over/(Under) Expenses	\$ (32,363)	\$ (84,688)	\$ (543,746)	\$ 218,561

Orange County Industrial Development Agency
Banks Accounts/Certificates of Deposit/Money Markets Accounts
As of February 28, 2022

Listed in order of maturity date.

Purchase Date	Maturity Date	# of Days	Bank	Bank Balance	Principal	Interest Rate	Interest Earned MTD
--	--	--	--		\$ 1,000,000	--	
11/18/21	5/18/22		Orange Bank & Trust		\$ 250,000	0.20%	
11/18/21	8/18/22		Orange Bank & Trust		\$ 250,000	0.25%	

Bank	Account Type	Amount	% of total
Chase Bank	Checking Account - IDA Ops	\$ 5,206,037	53%
Orange Bank & Trust	Checking Account - Accelerator Ops	\$ 207,068	2%
M&T	Bank Account	\$ 1,611,540	16%
Orange Bank & Trust	Checking Account - Trust Escrow	\$ 75,272	1%
Total CDs & Treasuries	Certificates of Deposit & Treasuries	\$ 1,000,000	10%
Sterling National	Money Market	\$ 1,721,311	18%
		<u>\$ 9,821,227</u>	<u>100%</u>
		\$ 11,463,816	

OCIDA Vendor Payment Approval
Recurring Bldg Services
March 16, 2022

Approv ID	March 16 2022
Category	Recurring Bldg Services
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
Time Warner Cable	(blank)	Service at 334 AoA, 4 Crotty Lane	334 Ave of Americas	1/11/22-2/10/22	378.21
Time Warner Cable Total					378.21
Central Hudson Gas & Electric	2100-3921-75-2	Gas & Electric	334 Ave of Americas	1/21/22-2/18/22	2,103.18
Central Hudson Gas & Electric Corp. Total					2,103.18
Complete Document Solutions	1N445536,549,613,612	Copies 3 months 12/2/21-3/1/22	4 Crotty Ln	12/2/21-3/1/22	706.56
Complete Document Solutions Total					706.56
Xerox Financial Service	31020909	Copier Lease payment	4 Crotty Ln	2/15/22-3/14/22	303.60
Xerox Financial Service Total					303.60
LaMela Sanitation	22X04102	Trash & Recycle	334 Ave of Americas	3/1/22-3/31/22	230.63
LaMela Sanitation Total					230.63
Verizon	(blank)	End of Service	Newburgh - 603	(blank)	82.11
Verizon Total					82.11
First Columbia 4-LA, LLC	(blank)	Rent and CAM	4 Crotty Ln	April 2022	10,508.89
First Columbia 4-LA, LLC Total					10,508.89
ALTEVA OF WARWICK	1014804	Internet	Warwick	3/1/22-3/31/22	90.71
ALTEVA OF WARWICK Total					90.71
88 Studio, LLC	98489143076	Website, Google, Go Daddy, Meeting Support	4 Crotty Ln	2/1/22-2/28/22	2,500.00
88 Studio, LLC Total					2,500.00
MidHudson News.com	(blank)	Banner Advertising	4 Crotty Ln	2/01/22-2/28/22	1,000.00
MidHudson News.com Total					1,000.00
KR Cleaning	--	Office Cleaning	334 Ave of Americas	March 2022	1,000.00
KR Cleaning Total					1,000.00
Frontier	(blank)	Ethernet and Wireless service	Middletown	2/4/22-3/3/22	810.46
	845-343-2409-020218-4	Phone Line	Middletown	3/2/22-4/1/22	90.38
		Fiber	Middletown	2/15/22-3/14/22	599.00
Frontier Total					1,499.84
Facilities Maintenance Corp.	(blank)	Cleaning	Middletown	February 2022	1,115.23
Facilities Maintenance Corp. Total					1,115.23
Town of New Windsor Receiver of Taxes	(blank)	Water & Sewer	334 Ave of Americas	11/23/21-2/22/22	270.20
Town of New Windsor Receiver of Taxes Total					270.20
Crystal Rock	(blank)	Water	4 Crotty Ln	February 2022	15.10
Crystal Rock Total					15.10
Cardmember Service	(blank)	Membership	4 Crotty Ln	February 2022	1,542.69
Cardmember Service Total					1,542.69
Marangi Disposal	(blank)	Trash & Recycle	Middletown	February 2022	107.16
Marangi Disposal Total					107.16
Credit Card Payment Process	(blank)	Membership, Meal, Office Supplies	4 Crotty Ln	February 2022	1,063.70
Credit Card Payment Processing Total					1,063.70
National Business Leasing	(blank)	Copier	Middletown	2/15/22-3/14/22	360.36
National Business Leasing Total					360.36
ITC	(blank)	January 2022 & March 2022	4 Crotty Ln	January 2022 & March 2022	297.60
		Remote - Labor	4 Crotty Ln	February 2022	82.50
ITC Total					380.10
Times Herald Record	(blank)	Legal Notice for Public Hearing	4 Crotty Ln	February 2022	186.72
Times Herald Record Total					186.72
Grand Total					25,444.99

**OCIDA Vendor Payment Approval
Monthly Contracts
March 16, 2022**

Approv ID	March 16 2022
Category	Monthly Contracts
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
UHY Advisors	620414697	January 2022 Bookeeping and Year End	4 Crotty Ln	January 2022	2,500.00
	620414698	Bookkeeping	4 Crotty Ln	January 2022	1,695.00
UHY Advisors Total					4,195.00
Loewke Brill Consulting	16-011-067	Site Visits & Reporting	4 Crotty Ln	February 2022	2,480.00
Loewke Brill Consulting Total					2,480.00
Bousquet Holstein PLLC.	(blank)	General Counsel	4 Crotty Ln	1/1/22-1/31/22	15,018.25
		OCIDA vs. Cozzolino, et al	4 Crotty Ln	12/15/21 - 2/27/22	15,015.00
Bousquet Holstein PLLC. Total					30,033.25
RBT CPAs	207795	Monthly Retainer / Bookkeeper /Quickbooks, and Additional Advisory Service	4 Crotty Ln	1/1/22 - 2/28/22	1,825.00
RBT CPAs Total					1,825.00
Grand Total					38,533.25

OCIDA Vendor Payment Approval
All Other
March 16, 2022

Approv ID	March 16 2022
Category	All Other
Amt	Y

Vendor	Invoice	Purpose/Description	Location	Service Date(s)	Sum of Amount
B4 Holdings	(blank)	Rent Ziel \$2559.62	Newburgh - 605	(blank)	2,559.62
		Rondon Footwear Jan, Feb and March 2022	Newburgh - 603	Jan, Feb, Mar. 2022	750.00
B4 Holdings Total					3,309.62
Town of New Windsor	(blank)	Rent Melo \$400, Seco \$1600	334 Ave of Americas	Jan. & Feb. 2022	2,000.00
Town of New Windsor Total					2,000.00
Orange County IDA	(blank)	Escrow Account Transfer	4 Crotty Ln	(blank)	7,000.00
Orange County IDA Total					7,000.00
Frances Roth	(blank)	Public Hearing Stenographer	4 Crotty Ln	02/16/22	300.00
				02/14/22	300.00
Frances Roth Total					600.00
Town Of New Windsor Fire Ir	(blank)	11/2/21 Fire Inspection	334 Ave of Americas	11/2/21	75.00
Town Of New Windsor Fire Inspectors Office Total					75.00
Grand Total					12,984.62

Motion By: _____
Secinded By: _____

SECOND SUPPLEMENTAL FINAL RESOLUTION
(South Gate Flats, LTD Project)

A regular meeting of the Orange County Industrial Development Agency was held on March 16, 2022, at 5:30 p.m. (local time), in the Community Room at the Orange County Government Center, 255 Main Street, Goshen, New York 10924.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of the Company (as defined hereafter).

SECOND SUPPLEMENTAL FINAL RESOLUTION AUTHORIZING (i) ADDITIONAL FINANCIAL ASSISTANCE TO SOUTH GATE FLATS, LTD (THE "COMPANY") IN AMOUNTS EXCEEDING THE AMOUNTS APPROVED BY THE AGENCY IN ITS SUPPLEMENTAL FINAL RESOLUTION ADOPTED ON FEBRUARY 16, 2022; and (ii) THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, by Resolutions duly adopted on May 14, 2020 and February 16, 2022, the Agency appointed **SOUTH GATE FLATS, LTD**, a New York limited partnership, for itself or an entity formed or to be formed (collectively, the "Company"), the true and lawful agent of the Agency to undertake a certain project (the "Project") consisting of: (A)(i) the acquisition by the Agency of a leasehold interest in an approximately 7.66-acre parcel of land located at 479 Main Street in the Village of Highland Falls, Town of Highlands, Orange County, New York (the "Land"), together with the existing buildings thereon, comprised of approximately 30,000 square-feet (the "Existing Improvements"); (ii) the construction on the Land of an aggregate approximately six (6) story 130,000 square-foot building comprised of (A) approximately 125,000 square-feet for use as a 78-unit hotel and spa, restaurant, and conference space; and (B) approximately 5,000 square-feet for use as office space (collectively, the "Improvements"); and (iii) the acquisition and installation in, on and around the Improvements of certain items of equipment and other tangible personal property including, but not limited to, mechanicals, plumbing, lighting, fixtures and furnishings (collectively, the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, the Agency previously approved a mortgage amount of \$27,412,218 which would result in mortgage recording tax savings through the Agency of \$205,592; and

WHEREAS, the Agency previously appointed the Company as its true and lawful agent to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an amount up to \$17,792,779, which would result in New York State and local sales and use tax exemption benefits (the "Original Sales and Use Tax Exemption Benefits") not to exceed \$1,445,663; and

WHEREAS, the Company has requested the Agency approve an increase in the mortgage amount to \$42,262,444 which would result in mortgage tax savings through the Agency of \$316,968; and

WHEREAS, the Company has also requested that the Agency authorize the Company to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an the amount up to \$25,252,699, which would result in New York State and local Sales and Use Tax Exemption Benefits not to exceed \$2,051,782 (as increased, the "Sales and Use Tax Exemption Benefits"); and

WHEREAS, the Agency desires to adopt a resolution authorizing (i) the increase in mortgage amount and savings on mortgage recording tax; (ii) the increase in Sales and Use Tax Exemption Benefits; and (iii) the execution and delivery of any documents necessary and incidental thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based upon the representation and warranties made by the Company in its request, the Agency hereby authorizes and approves (i) a mortgage in the amount of **\$42,262,444**, which results in mortgage recording tax savings through the Agency of **\$316,968**; and (ii) the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$25,252,699**, which result in New York State and local Sales and Use Tax Exemption Benefits not to exceed **\$2,051,782**. The Agency agrees to consider any requests by the Company for an increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 2. The Chief Executive Officer, Chairman or Vice Chairman of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any agreements, documents or certificates necessary and incidental to providing the Company with a partial mortgage recording tax exemption and the increase in Sales and Use Tax Exemption Benefits.

Section 3. The Chief Executive Officer, Chairman or Vice Chairman or any officer 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 and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of such Chief Executive Officer, Chairman or Vice Chairman

of the Agency acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. In consequence of the foregoing, the officers, employees and agents of the Agency are further authorized and directed for and in the name and on behalf of the Agency to execute and deliver any future mortgage, security agreement and such other collateral instruments as may be required by the Company's lender for the purpose of subjecting the Agency's interest in the Facility (except its Unassigned Rights, as defined in the Leaseback Agreement) to the lien of a mortgage and for no other purpose.

Section 5. This resolution shall take effect immediately

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

	<u><i>Yea</i></u>	<u><i>Nay</i></u>	<u><i>Absent</i></u>	<u><i>Abstain</i></u>
Michael Torelli				
Vincent Odock				
Dean Tamburri				
Robert Kennedy III				
Susan Walski				
James Rinaldi				
Noel Spencer				

The Resolutions were thereupon duly adopted.

[Remainder of Page Intentionally Left Blank]

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Chief Executive Officer of the Orange County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on March 16, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

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

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

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 16th day of March, 2022.

William Fioravanti, Chief Executive Officer

Orange County Industrial Development Agency

MRB Cost Benefit Calculator

Date: March 15, 2022
 Project Title: CITIVA Medical LLC/iAnthus
 Project Location: 75 John Hicks Drive, Warwick, New York



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$49,587,011

Temporary (Construction)

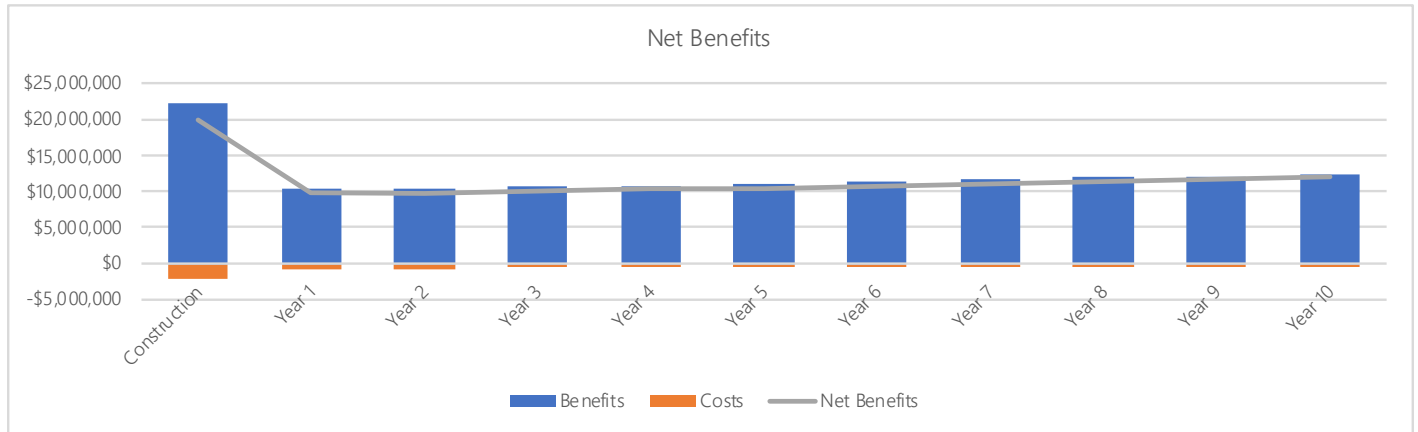
	Direct	Indirect	Total
Jobs	187	92	278
Earnings	\$15,440,525	\$5,398,566	\$20,839,090
Local Spend	\$42,148,959	\$18,580,459	\$60,729,418

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	100	64	164
Earnings	\$93,451,557	\$70,837,736	\$164,289,293

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

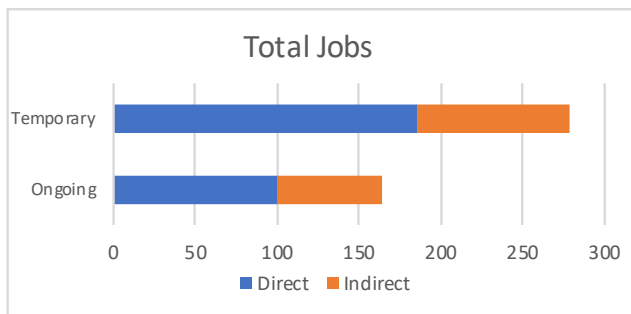
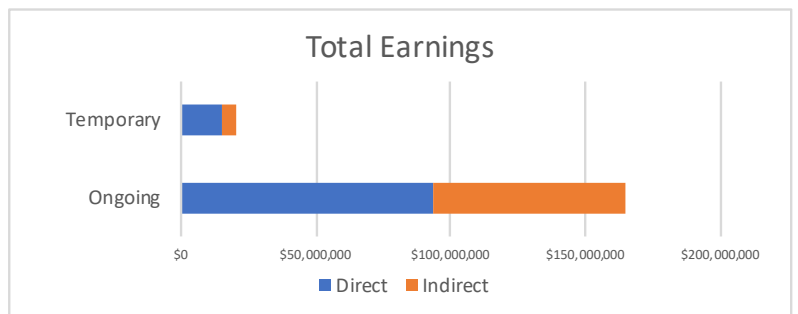


Figure 3



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Ongoing earnings are all earnings over the life of the PILOT.

Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$6,468,314	\$5,740,157
Sales Tax Exemption	\$2,153,125	\$2,153,125
Local Sales Tax Exemption	\$1,004,792	\$1,004,792
State Sales Tax Exemption	\$1,148,333	\$1,148,333
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$8,621,439	\$7,893,282

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$193,262,984	\$167,252,752
To Private Individuals	\$185,128,383	\$160,617,654
Temporary Payroll	\$20,839,090	\$20,839,090
Ongoing Payroll	\$164,289,293	\$139,778,564
Other Payments to Private Individuals	\$0	\$0
To the Public	\$8,134,601	\$6,635,098
Increase in Property Tax Revenue	\$7,000,690	\$5,651,315
Temporary Jobs - Sales Tax Revenue	\$127,639	\$127,639
Ongoing Jobs - Sales Tax Revenue	\$1,006,272	\$856,144
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$9,626,676	\$8,352,118
To the Public	\$9,626,676	\$8,352,118
Temporary Income Tax Revenue	\$937,759	\$937,759
Ongoing Income Tax Revenue	\$7,393,018	\$6,290,035
Temporary Jobs - Sales Tax Revenue	\$145,874	\$145,874
Ongoing Jobs - Sales Tax Revenue	\$1,150,025	\$978,450
Total Benefits to State & Region	\$202,889,660	\$175,604,870

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$167,252,752	\$6,744,949	25:1
State	\$8,352,118	\$1,148,333	7:1
Grand Total	\$175,604,870	\$7,893,282	22:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

FINAL RESOLUTION
(Citiva Medical LLC – Warwick Facility Project)

A regular meeting of the Orange County Industrial Development Agency held on March 16, 2022 at 5:30 p.m. (local time) at the Orange County Government Center Community Room, 255 Main Street, Goshen, New York.

The meeting was called to order by _____ and upon the roll being duly called, the following members were present:

MEMBERS PRESENT (in person or via Tele/Videoconference in accordance with the Governor's Executive Order 202.1):

THE FOLLOWING PERSONS WERE ALSO PRESENT (in person or via Tele/Videoconference in accordance with the Governor's Executive Order 202.1):

The following Resolution was offered by _____ and seconded by _____ :

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO: (I) UNDERTAKE, ACQUIRE, CONSTRUCT, RECONSTRUCT, RENOVATE, EQUIP AND COMPLETE A PROJECT; (II) APPOINT THE COMPANY AS ITS AGENT TO UNDERTAKE THE PROJECT (AS MORE FULLY DESCRIBED BELOW); (III) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF EXEMPTIONS FROM STATE AND LOCAL SALES AND USE TAX AND REAL PROPERTY TAX; AND (IV) EXECUTE AND DELIVER CERTAIN DOCUMENTS IN CONJUNCTION WITH THE PROJECT

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "*Act*"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "*Agency*") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, Citiva Medical LLC, a New York limited liability company and iAnthus Empire Holdings, LLC, a New York limited liability company, each for itself or on behalf of an entity to be formed (collectively, the "*Company*"), has submitted an application (the "*Application*") to the Agency requesting the Agency's assistance with respect to a certain project (the "*Project*") consisting of: (A)(i) the acquisition of a leasehold interest in approximately 8.5 acres of real

property located at 75 John Hicks Drive, Warwick, New York (Tax Map No. 46-1-49.2) (the "**Land**") improved by an existing approximately 30,000 sq. ft. building (the "**Existing Building**"); (ii) the interior buildout of the Existing Building to be used as a headhouse and processing facility which will serve as the operational nerve center for manufacturing and processing activities; the construction of the first phase of the greenhouse consisting of approximately 38,000 sq. ft. (the "**First Phase**") with an anticipated second phase consisting of the construction of an additional approximately 60,000 sq. ft. of space added to the greenhouse (the "**Second Phase**"); to be used for the cultivation of cannabis plants, to provide safe access by patients to high-quality medical cannabis products (collectively, with the Existing Building, the "**Facility**"); (iii) the acquisition and installation in and on the Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property tax (collectively, the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the acquisition of an interest in the Land and Facility by the Agency pursuant to a sublease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement, as necessary; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on March 7, 2022 (local time), the Agency held a public hearing, which was continued on March 11, 2022, electronically via Zoom with respect to the Project and the proposed Financial Assistance being contemplated by the Agency (the "**Public Hearing**") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. Notice of the public hearing was published on February 22, 2022, in the Times Herald-Record, a newspaper of general circulation in the Town of Warwick and Orange County, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated February 21, 2022. A copy of the minutes of the Public Hearing along with the Notice of Public Hearing are attached hereto as **Exhibit A**; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), the Agency is required to make a determination whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA), and the agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, Citiva Medical, LLC signed a Certification Regarding New York State Environmental Quality Review Act on February 10, 2022. The Town of Warwick Planning Board issued a Negative Declaration on November 6, 2013; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in Orange County (the "**County**"); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of New York State (the "**State**") to

another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and to the extent occupants are relocating from one plant or facility to another, based upon the Company's application and representations, the Agency hereby finds that the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and (iii) the Project will serve the purposes of the Act by advancing job opportunities and the economic welfare of the people of the State and the County and improve their standard of living; and

WHEREAS, subject to compliance with the terms hereof and the execution and delivery of the Lease Documents (as defined hereinbelow) by the Company, the Agency will: (i) designate the Company as its agent for the purpose of acquiring, constructing, reconstructing, renovating, equipping and completing the Project pursuant to a project agreement (the "**Project Agreement**"); (ii) acquire a leasehold interest in the Project through the negotiation, execution and delivery of a lease agreement (the "**Lease Agreement**"), a leaseback agreement (the "**Leaseback Agreement**"), a bill of sale (the "**Bill of Sale**"), an environmental compliance and indemnification agreement (the "**Environmental Compliance and Indemnification Agreement**"), a tax agreement containing the PILOT Schedule (as defined below) (the "**Tax Agreement**") and all other documents and certificates required by the Agency to confer the approved Financial Assistance, each of the foregoing with the Company (the "**Miscellaneous Documents**" and together with the Project Agreement, the Lease Agreement, the Leaseback Agreement, the Bill of Sale, the Environmental Compliance and Indemnification Agreement and the Tax Agreement, collectively, the "**Lease Documents**"); (iii) provide the Financial Assistance to the Company in the form of: (a) State and local sales and use tax exemption for purchases and rentals related to the acquisition, reconstruction, construction, renovation, equipping and completion of the Project; and (b) a partial real property tax abatement through the Tax Agreement; and

WHEREAS, as part of the Financial Assistance, the Company requested the Agency consider a 15-year payment in lieu of tax schedule, as more fully described on **Exhibit "B"** attached hereto (the "**PILOT Schedule**"), which schedule conforms with the Agency's Uniform Tax Exemption Policy ("**UTEPP**") established pursuant to General Municipal Law Section 874(4); and

WHEREAS, the Lease Documents and related documents will be negotiated and presented to the Agency for execution and delivery subject to the approval of these resolutions.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The Company presented the Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Application, at the public hearing and in other correspondence and/or documents, if any, submitted by the Company to the Agency, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers and authority 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 to take the actions contemplated herein; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, reconstructing, constructing, renovating, equipping and completing the Project and to grant the Financial Assistance and the Agency hereby authorizes same; and

(C) The action to be taken by the Agency will induce the Company to develop and operate the Project in the County, thereby [increasing employment opportunities/remove blight/retain jobs in the County] and otherwise furthering the purposes of the Agency as set forth in the Act; and

(D) The Project will not result in the removal of a commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(F) The Project Facility constitutes a "project" within the meaning of the Act.

SECTION 1. Based upon representations and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project, that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$26,500,000**, which result in New York State and local sales and use tax exemption benefits ("*Sales and Use Tax Exemption Benefits*") not to exceed **\$2,153,125**.

SECTION 2. Based upon the representations made by the Company to the Agency, and the reasons presented by the Company in support of its request for the PILOT Schedule, the Agency hereby approves the PILOT Schedule and the (Vice) Chairman and Chief Operating Officer, acting individually, are each authorized to execute and deliver the Tax Agreement providing for the PILOT Schedule, all in such form and substance as shall be substantially the same as approved by the Agency for other similar transactions, and consistent with this Resolution.

SECTION 3. The Chairman, Vice Chairman, Chief Executive Officer and/or the Chief Operating Officer of the Agency, acting individually, are each hereby authorized and directed, on behalf of the Agency, to negotiate and execute (the Lease Documents, in form and substance similar to other such agreements and documents used by the Agency for similar transactions, with changes in terms and form as shall be consistent with this Resolution and as the Chairman, Vice

Chairman Chief Executive Officer and/or the Chief Operating Officer shall approve; provided, however, the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (D) and execute and deliver any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein, as approved by the Chairman, Vice Chairman Chief Executive Officer and/or the Chief Operating Officer, and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

SECTION 4. Subject to the Company's execution, delivery and compliance of and with the Lease Documents (unless otherwise authorized by the Agency), the Agency hereby authorizes the Company to proceed with the acquisition, reconstruction, construction, renovation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, reconstruct, construct, renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to a project operator, agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses (collectively, "***Additional Agents***") in accordance with the Lease Documents; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the Company execute and deliver all Lease Documents and remit all amounts due thereunder to the Agency or its designees by March 16, 2023 (unless extended for good cause by the Agency).

SECTION 5. Pursuant to Section 875(3) of the New York General Municipal Law and the Agency's policies, which are all incorporated herein by reference, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any State and local Sales and Use Tax Exemption Benefits or other Financial Assistance in violation of the Act or the Agency's policies or in the event of a default under the Lease Documents. As a condition precedent of receiving Sales and Use Tax Exemption Benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands; and with respect to all other Financial Assistance the Company shall agree to cooperate with the Agency in its efforts to recover or recapture any Financial Assistance in the event of a Default; and promptly pay over any such amounts to the Agency that the Agency demands.

SECTION 6. The Company shall provide, or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the "***Commissioner***") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax

exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request. For purposes of exemption from New York State (the "**State**") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

SECTION 7. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the Company's execution and delivery of the Lease Documents, all other documents set forth herein and the payment by the Company of all administrative, legal and other fees of the Agency.

SECTION 8. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 9. Should the Agency's participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

SECTION 10. Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

SECTION 11. The Secretary, the Chief Executive Officer and/or the Chief Operating Officer of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

SECTION 12. The approvals provided for herein are contingent upon the Company's payment of all the Agency's fees and costs, including but not limited to attorney's fees.

SECTION 13. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Chief Executive Officer of the Orange County Industrial Development Agency, **DO HEREBY CERTIFY**:

That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "**Agency**") including the resolution contained therein, held on March 16, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

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

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

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this _____ day of March, 2022.

William Fioravanti, Chief Executive Officer

(S E A L)

EXHIBIT A

PUBLIC HEARING MINUTES & NOTICE OF PUBLIC HEARING

[See Attached]

NOTICE OF PUBLIC HEARING

As a result of the public health emergency created by COVID-19, the Federal, State and local bans on meetings or gatherings, and pursuant to Executive Order 202.1 and Executive Order 11, suspending the Open Meetings Law, each as extended from time to time, and corresponding legislation, **NOTICE IS HEREBY GIVEN** that a public hearing, in accordance with the foregoing and pursuant to Section 859-a of the New York General Municipal Law, will be held **electronically** via Zoom by the Orange County Industrial Development Agency (the "Agency") on the 7th day of March, 2022, at 10:00 a.m., local time, in conjunction with the matter set forth below. **NO PUBLIC APPEARANCES WILL BE PERMITTED.** Members of the public may listen to the Public Hearing and provide comment by either logging into the Zoom meeting at: <https://us06web.zoom.us/j/88991231260?pwd=Q0NFZ2dOTXVLY0x3aEVVK0Uydlo1QT09>, or by accessing the link on the Agency's website, using meeting ID: 889 9123 1260 and passcode: 649947 *or* via telephone at 1 (646) 558 8656, meeting ID: 889 9123 1260.

Comments may also be submitted to the Agency in writing delivered to Orange County Industrial Development Agency, 4 Crotty Ln #100, New Windsor, NY 12553 Attn: Bill Fioravanti **OR** submitted electronically to business@ocnyida.com, in either case **TO BE RECEIVED BY NO LATER THAN MARCH 3, 2022 at 5:00 p.m. ANY WRITTEN COMMENTS SO RECEIVED WILL BE READ INTO THE RECORD OF THE PUBLIC HEARING.** Minutes of the Public Hearing will be transcribed and posted on the Agency's website.

The following project is the subject of this public hearing:

Citiva Medical LLC, a New York limited liability company and iAnthus Empire Holdings, LLC, a New York limited liability company, each for itself or on behalf of an entity to be formed (collectively, the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of a leasehold interest in approximately 8.5 acres of real property located at 75 John Hicks Drive, Warwick, New York (Tax Map No. 46-1-49.2) (the "Land") improved by an existing approximately 30,000 sq. ft. building (the "Existing Building"); (ii) the interior buildout of the Existing Building to be used as a headhouse and processing facility which will serve as the operational nerve center for manufacturing and processing activities; the construction of the first phase of the greenhouse consisting of approximately 38,000 sq. ft. (the "First Phase") with an anticipated second phase consisting of the construction of an additional approximately 60,000 sq. ft. of space added to the greenhouse (the "Second Phase"); to be used for the cultivation of cannabis plants, to provide safe access by patients to high-quality medical cannabis products (collectively, with the Existing Building, the "Facility"); (iii) the acquisition and installation in and on the Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property tax (collectively, the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the acquisition of an interest in the Land and Facility by the Agency pursuant to a sublease

agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement, as necessary.

The Company will be the initial manager/owner of the Project.

The Agency will at the above-stated time hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 4 Crotty Ln #100, New Windsor, NY 12553 or on its website at <https://www.ocnyida.com>.

Dated: February 18, 2022

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

EXHIBIT “B”

PROPOSED PILOT SCHEDULE

1 THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
2 STATE OF NEW YORK

-----x

3 In The Matter of

4 Re: CITIVA MEDICAL LLC

-----x

6 March 7, 2022
7 10:00 a.m.
8 Zoom Meeting

8

9

10

11

12 B E F O R E: WILLIAM FIORAVANTI
13 CEO OCNYIDA

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14

15

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17

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22 FRANCES ROTH
23 Court Stenographer
24 168 North Drury Lane
25 Newburgh, New York 12550
Telephone (845) 566-1641

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A P P E A R A N C E S :

WILLIAM FIORAVANTI
CEO OCNIDA
4 Crotty Lane
New Windsor, New York 12553

ALSO PRESENT: Kelly Reilly
Project Manager

Dennis Brady
Audio/Visual Consultant

CITIVA MEDICAL LLC

1 MR. FIORAVANTI: Good morning, my name is
2 William Fioravanti, I'm the CEO of the Orange
3 County Industrial Development Agency. I'm going
4 to open the public hearing this morning, Monday,
5 March 7, 2022 for Citiva Medical LLC. I'd like
6 to first mention who is on the call currently,
7 myself, Kelly Reilly, Project Manager for the
8 OCIDA, Fran Roth is our stenographer and we have
9 our audio-visual consultant, Dennis Brady, of 88
10 Studios on as well. I'm going to ask that we
11 rise for the Pledge of Allegiance.

12 (Whereupon, the Pledge of Allegiance was
13 recited.)

14 MR. FIORAVANTI: I'd like to begin by
15 reading the Public Notice for this hearing.
16 Notice is given that a public hearing in
17 accordance with foregoing and pursuant to Section
18 859-a of the New York General Municipal Law will
19 be held via Zoom on Monday, March 7, 2022 at
20 10:00 a.m. local time in conjunction with the
21 matter set forth below. The following project is
22 the subject of this public hearing. Citiva
23 Medical LLC, a New York limited liability company
24 and iAnthus Empire Holdings, LLC, a New York
25 limited liability company each for itself or on

CITIVA MEDICAL LLC

1 behalf of an entity to be formed collectively the
2 Company, requested the Agency undertake a project
3 known as the Project, consisting of the
4 acquisition of a leasehold interest in
5 approximately 8.5 acres of real property located
6 at 75 John Hicks Drive, Warwick, New York, the
7 Land, hereto known as the Land, improved by an
8 existing approximately 30,000 square foot
9 building, the Existing Building, the interior
10 buildout of the Existing Building to be used as a
11 headhouse and processing facility which will
12 serve as the operational nerve center for
13 manufacturing and processing activities, the
14 construction of the first phase of the greenhouse
15 consisting of approximately 38,000 square feet,
16 known as the First Phase, with anticipated second
17 phase consisting of the construction of an
18 additional approximately 60,000 square foot space
19 added to the greenhouse, known as the Second
20 Phase to be used for the cultivation of cannabis
21 plants, to provide safe access by patients to
22 high quality medical cannabis products,
23 collectively with the Existing Building known as
24 the Facility. The acquisition and installation
25 in and on the Facility of furniture, fixtures and

CITIVA MEDICAL LLC

1 equipment, known as the Equipment, and together
2 with the Land and the Facility, the Project
3 Facility, the granting of certain financial
4 assistance in the form of exemptions from state
5 and local sales and use tax and real property
6 tax, collectively the Financial Assistance.
7 Looking for anyone else joining us. The
8 appointment of the Company or its designee as an
9 agent of the Agency in connection with the
10 acquisition, construction, equipping and
11 completion of the Project Facility and the
12 acquisition of an interest in the Land and
13 Facility by the Agency pursuant to a sublease
14 agreement and the acquisition of an interest in
15 the Equipment pursuant to a bill of sale from the
16 Company to the Agency and a sublease of the
17 Project Facility back to the Company pursuant to
18 a sublease agreement as necessary. The Company
19 will be the initial manager/owner of the project.
20 The Agency will at the above stated time now hear
21 all persons with views with respect to the
22 proposed Financial Assistance to the Company, the
23 proposed owner/operator, the location of the
24 Project Facility and the nature of the Project.
25 A copy of the application filed by the Company

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1 with the Agency with respect to the project
2 including an analysis of the costs and benefits
3 of the project are available for public
4 inspection during the business hours at the
5 office of the Agency located here at 4 Crotty
6 Lane, Suite 100, New Windsor, New York 12553 or
7 on our website at www.ocnyida.com. So I'd like
8 to reference that having read the public notice
9 that a cost benefit analysis is available here at
10 the IDA headquarters or on our website, you go to
11 ocnyida.com, look at the menu on the top under
12 active projects and search for Citiva,
13 C-I-T-I-V-A and you'll be able to see the
14 application for assistance, the cost benefit
15 analysis and such. I would like to notify the
16 public now that we're going to keep this public
17 hearing open for the remainder of this week until
18 Friday, we will resume it on Friday because we
19 don't have a hundred percent verified tax PILOT
20 specifics verified by the local assessor but
21 various reasons, scheduling wise and such where
22 we don't have the confirmed amounts and we want
23 to keep the hearing open until we can give you
24 the absolute solid amounts. I will let you know
25 that we only received one letter after providing

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1 public notice about this public hearing inviting
2 public comments in writing or in person virtually
3 of course today. We received one letter and that
4 was from the Town Supervisor of the Town of
5 Warwick, Mr. Michael Sweeton and I'm going to
6 read that letter now. We received it in March,
7 it was dated March 2nd, I should say. Dear Mr.
8 Fioravanti: I am writing in regards to the
9 application of Citiva Medical LLC requesting
10 sales tax exemptions and a PILOT agreement. A
11 hearing is scheduled for March 7th, is scheduled
12 for March 7th, and it's my understanding that the
13 PILOT will only cover the new improvements going
14 forward to completion of the project and not on
15 what was already constructed. Based on this
16 information, the Town would support the
17 application with its commitment to provide 100
18 good paying jobs with over 80 coming from the
19 surrounding labor pool. Sincerely, Michael P.
20 Sweeton, Town Supervisor. And just to comment on
21 that, Mr. Sweeton is correct, the incentives that
22 Citiva is requesting of the Orange County IDA are
23 only for the condition of the property and the
24 building that they've constructed, the shell of a
25 building to date forward. Anything that has

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1 already been constructed, any building materials,
2 any equipment, anything that was purchased will
3 not be eligible for the sales tax exemption and
4 the PILOT or property tax abatement or a phase-in
5 of the new additional property taxes will only be
6 on what the current value of the property is now
7 after the improvements Citiva already made to
8 this point and going forward, just to be clear,
9 and that was Mr. Sweeton's understanding and his,
10 of course he lends his full support given that.
11 I'm going to talk further, no other letters or
12 comments were submitted, I did just want to talk
13 about the impacts of this project given our cost
14 benefit analysis that we did. First of all, the
15 project in total will create 187 jobs, \$15
16 million in earnings, local spending of \$42
17 million, direct jobs 100 jobs, indirect 64, total
18 earnings between direct and indirect of
19 \$164,289,293. Let's see, also cost to benefit
20 ratio, now this is just on the sales tax
21 exemptions, not on the proposed 50 year PILOT,
22 again we will confirm those figures when we have
23 a completed confirmed analysis, but the benefit
24 of the sales tax being provided, the local cost
25 is \$1,004,792, the local benefit received as a

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1 result of this project is \$161,601,437, so that
2 is a benefit to cost ratio of 161 to one, of
3 course it's good when the first number is higher,
4 that's the benefit to the cost 161 to one. At
5 the state level there aren't as many state
6 benefits, the cost to the state is \$1,148,333,
7 again, that's just on sales tax exemption, the
8 state portion, the benefit to the state is
9 \$8,352,118 and that is a cost, I'm sorry, benefit
10 to cost ratio for the state of seven to one,
11 overall the cost of the project, I'm sorry, the
12 cost of the incentives being awarded are
13 \$2,153,125, the total benefit, grand total local
14 and state is \$169,953,555, that is a grand total
15 for both local and state benefit to cost of 79 to
16 one. So you see just on sales tax exemption
17 alone the impact and why the IDA would consider,
18 the IDA board would consider authorizing these
19 benefits. Again, the PILOT is a 15 year proposed
20 PILOT, we don't have confirmed numbers so we're
21 going to represent those and post those to our
22 website as soon as possible. I'm still, there
23 are no other, not seeing any hands for any
24 additional comments. We do have, we are remiss
25 in not mentioning representing Citiva we have

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1 Sean Barravecchio, he is available to provide any
2 other comments. But right now that's all we have
3 at the moment, we have no other comments, I'm not
4 seeing anyone else present. We're going to keep
5 this public hearing open but we're going to end
6 the Zoom session now. You can continue to send
7 comments to the IDA or reappear, we're going to
8 resume this hearing on Friday and the date on
9 that just to verify is Friday, the 11th at 10:00
10 a.m. we will resume this public hearing, hear any
11 additional comments we have and at that point we
12 will close it. But thank you all for joining us
13 and we will be back on Friday. Thanks very much.

14
15
16 (Proceedings concluded at 10:12 a.m.)

17
18 *****

19 CONTINUATION OF CITIVA PUBLIC HEARING

20 ON FRIDAY, 3/11/22

21 MR. FIORAVANTI: Good morning everyone,
22 welcome to the resumed public hearing for Citiva
23 Medical LLC. My name is Bill Fioravanti of the
24 Orange County Industrial Development Agency. We
25 are resuming this public hearing that began on

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1 Monday. Now that the cost benefit analysis has
2 been complete, that's in addition to receiving
3 any other public comment that's the main priority
4 for this resumed hearing is to make sure that the
5 public is aware of that. That information is on
6 our website and I'll clarify all that in a
7 moment. Let's start this morning though by the
8 Pledge of Allegiance, please, please stand and
9 I'll lead us in the Pledge.

10 (Whereupon, the Pledge of Allegiance was
11 recited.)

12 MR. FIORAVANTI: Thank you. Let me just
13 announce really who our attendees are. Again, my
14 name is Bill Fioravanti, I'm the Chief Executive
15 Officer of the IDA, Kelly Reilly, our Project
16 Manager is also present with us, Fran Roth is our
17 stenographer. We also have Dennis Brady, our AV
18 Consultant. We have a few board members I really
19 appreciate being on here as well, Mr. Noel
20 Spencer, Mr. Robert Kennedy. We also have
21 representing the applicant, Citiva Medical LLC,
22 we have Sean Baravecchio and Colleen Hughes,
23 thank you for joining us. If necessary, Shawn
24 and Colleen, I don't know that we'll need to hear
25 from you but if there are any comments that we

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1 feel that when we're done need to be responded to
2 I'll ask you for that. But I will remind you I'm
3 not going to read the entire public notice, but I
4 will remind you that this is a project for Citiva
5 Medical LLC to be located at 75 John Hicks Drive
6 in Warwick, New York, a 30,000 square foot
7 building that would be used for cannabis
8 manufacturing and production, it is at the
9 Warwick Tech Park that the IDA has played a key
10 role in. The applicant is looking for sales tax
11 exemption and a 15 year property tax abatement.
12 We have not received any other public comment
13 yet. I'm going to read the cost benefit
14 analysis, just the highlights of it and then I
15 will look for any comments that are remaining and
16 that's really mostly what we have. Let me just
17 pull that up. So the cost benefit analysis we
18 did based upon an estimated, the sales tax
19 exemption requested and the estimated property
20 tax abatement schedule. The final cost benefit
21 analysis produced the following facts. We are
22 talking about a local benefit, well, sorry, start
23 with the property tax exemption, the value of
24 that benefit is \$6,585,207, discounted it's
25 \$5,839,559. The sales tax exemption, the value

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1 of that exemption both nominally is not
2 discounted in this analysis, \$2,153,125, and
3 that's the split of that. As most people know,
4 that sales tax is split between local, county and
5 the state, the local share of that is \$1,004,792,
6 and the state portion of the sales tax exemption
7 is the benefit value is \$1,148,333, pardon me.
8 So the, thanks to payroll, thanks to construction
9 labor, other financial multipliers, the total
10 benefit of the project, economic impact is a
11 grand total of \$175,393,964. The split between
12 local and state is a local benefit of
13 \$167,041,846 and the state benefit of, I'm sorry,
14 yeah, the state benefit value of \$8,352,118. The
15 total cost, locally the total cost, grand total
16 is \$7,992,684, \$6.8 million being local, \$1.15
17 million being state, and that equates to benefit
18 to cost a grand total a ratio of 22 to one,
19 benefit to cost, again, benefit grand total
20 \$175 million to just under \$8 million and locally
21 it's a 24 to one benefit to cost, \$167 million
22 benefit and \$6.8 million in costs. So that is
23 the economic analysis. The cost benefit analysis
24 we have calculated in conjunction with the Orange
25 County Real Property Department, we want to thank

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1 them for their work in developing this. I just
2 want to repeat that this information, both the
3 PILOT schedule or model for the 15 year requested
4 PILOT as well as this, all the details of this
5 cost benefit analysis are available on the Orange
6 County Industrial Development Agency website,
7 that is www.ocnyida.com, ocnyida.com. There's a
8 menu at the top, you look for active projects,
9 look for Citiva Medical and all the documents,
10 the public hearing notice for this hearing is in
11 there, the cost benefit analysis, the original
12 application and again PILOT schedule so all the
13 details are in there. These documents are also
14 available at the IDA headquarters at 4 Crotty
15 Lane in New Windsor. Please contact us if you'd
16 like to come over and look at those documents
17 please, any time. Okay, lastly, I'd like to look
18 for any further comments before we close the
19 public hearing.

20 MS. LANCELOTTI: Just brief, Bill.

21 MR. FIORAVANTI: Yes please, please state
22 your name and please go ahead with your comments.

23 MS. LANCELOTTI: My name is Kaitlyn
24 Lancellotti and I am the Director of Business
25 Expansion and Retention with the Orange County

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1 Partnership. I'm just here to speak briefly and
2 say that we are in support of the project, with
3 the cost benefit that Bill just laid out and the
4 amount of capital investment that this project
5 would bring not only to Warwick but to Orange
6 County and the Hudson Valley region and it really
7 ties into what Governor Hochul is doing with all
8 the changes with recreational marijuana and the
9 ability to create jobs for those who previously
10 might not have been able to get them. So we are
11 of course in support of this since we're in
12 support of what all the local labor and all those
13 policies would entail and just wanted to say that
14 brief little comment and thank you guys for your
15 time.

16 MR. FIORAVANTI: Very good, thank you,
17 Katie, we appreciate that. Would anyone else
18 like to make comment? Okay, hearing none, we're
19 going to close the public hearing for Citiva
20 Medical LLC at 10:10 a.m. on Friday, March 11,
21 2022. Thank you all for participating. Again,
22 if anyone wants further information on this
23 project, you can refer to our website,
24 ocnyida.com or contact us at the IDA and come
25 visit us at 4 Crotty Lane. But thank you all for

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your participation, have a good day and weekend.
Thanks very much.

(Proceedings concluded at 10:10 a.m.)

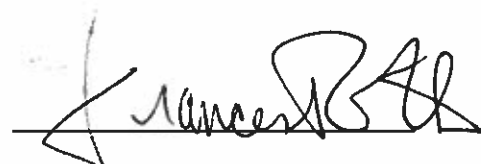
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I, FRANCES ROTH, a Stenographic Reporter and Notary Public of the State of New York, do hereby certify:

That the foregoing is an accurate record of the testimony, as given, to the best of my knowledge and belief, the same having been stenographically recorded by me and transcribed under my supervision.

That I am not related to any of the parties involved in this matter, and that I have no personal interest whatsoever in the outcome thereof.



FRANCES ROTH

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
4 CROTTY LANE- SUITE 100
STEWART INTERNATIONAL AIRPORT
NEW WINDSOR, NEW YORK 12553
845-234-4449; Fax 845-220-2228

March 16, 2022

A to Z Consulting, Inc.
60 Prospect Avenue
Middletown, NY 10940

Re: Sub-Lease Agreement for Suites 2.1 and 2.2 (340 square feet), 60 Prospect Ave, Middletown, NY 10940

Dear A to Z Consulting, Inc.:

This will constitute the sub-lease agreement between the Orange County IDA, referred to as the “Tenant” and your company, referred to as the “Sub-Tenant” for the sub-lease of Suites 2.1 and 2.2 (“Clean Rooms”) totaling 340 square feet located at 60 Prospect Avenue, Middletown, New York 10940 (the “Premises). In this agreement, The Danza Leser Group, LLC will be referred to as “the Landlord”. The purpose of the sub-lease agreement is to encourage the creation, expansion and retention of businesses and high-paying jobs in Orange County. The rent you pay is subsidized by the Orange County IDA for those purposes. The sub-leased premises must be used actively toward those purposes or the sub-lease will terminate.

Rent. Rent is payable on the first day of each month, together with any fees accrued from the previous month. Rent is due whether or not a statement has been rendered. The maximum term of the sub-lease is from April 1, 2022, to November 19, 2022. The sub-lease is not assignable or transferable, and the suite may not be sublet. If your company cannot meet the purposes of the sub-lease, or otherwise decides to leave, you may do so on thirty (30) days’ written notice without penalty.

Purpose: Office / Manufacturing Space (“Clean Rooms”) (340 sq ft)
Rent per month: **\$566.67 (\$20/ft. x 340 sq. ft.; \$6,800.00/year divided by 12 months= \$566.67/month)**
Original Date of Occupancy: **April 1, 2022**
Date Rent Commences under this Sub-Lease: **April 1, 2022**
Date of Expiration: **November 19, 2022**

Utilities. The monthly rental includes electric, heat, water, real property taxes, parking, common area maintenance, certain amenities, kitchen, rest rooms, shared use of conference rooms, hard wired and wireless internet access.

The Tenant will provide hard wired and wireless internet access. The Tenant does not provide IT services to its tenants. Sub-Tenants can have unlimited access to the high-capacity copy, fax and

scanning machine for \$10 per month. If the Sub-Tenant chooses this option, the fee will be included in the monthly rent invoice. A client identifier PIN code will be assigned to access the copy machine.

Access. The Sub-Tenant will have access 24/7 to the Premises. Sub-tenants will be issued key cards, door codes, and keys to access 60 Prospect Avenue, Middletown, New York. Key cards grant access to the front door of the building. The first key cards are free of charge and one is issued per member of the Sub-Tenant company with their photo on it. The first time the Sub-Tenant (entire company) loses a card it's free of charge. Subsequent lost cards will be \$10 each. The Sub-Tenant will receive 2 keys to the Premises. The Sub-Tenant is encouraged to make and distribute copies to their associates. If the Sub-Tenants lose their keys, security will let give access to that associate with ID. If all keys are lost the Sub-Tenant is responsible to pay for the installation of a new lock. Sub-tenants will be charged a fee should they vacate the Premises without returning key cards and keys.

Attendance. The Sub-Tenant is expected to have at least two staff members onsite of the Premises for a minimum of three days a week.

Alterations to Sub-leased Premises. The Sub-Tenant is not allowed to make any alterations, modifications, or improvements to the Premises or the building in which the Premises are located without first obtaining written consent from the Landlord and Tenant. The Sub-Tenant is not permitted to hang anything from the ceiling or ceiling grid. The Sub-Tenant shall not paint or drill into or in any way deface any part of the Premises or the building in which the Premises are located. No boring, cutting or stringing of wires shall be permitted. No awnings or other projections shall be attached to the outside of the building. No curtains, blinds, shades, screens or window tint shall be installed. The Sub-Tenant will not hang, tape, or display anything in the window, which is visible from the outside, especially signs and posters. The Sub-Tenant shall not install any signs in the building common area or on the entrance. The Tenant reserves the right to request removal of any of the above items installed without prior written consent of Tenant. Any alterations, modifications, or improvements by Sub-tenants shall be performed by an approved agent of the Tenant and become the property of the Tenant and shall be surrendered at the termination or expiration of the agreement without compensation. Any alterations, modifications, or improvements shall not impair the safety or appearance of the Premises and/or the building in which the Premises are located and shall be made according to all applicable laws, ordinances, regulations, and policies, including but not limited to those of the Tenant.

No additional locks or bolts of any kind shall be placed upon any door or window by the Sub-Tenant, nor shall any changes be made to existing locks or mechanisms without prior approval of the Tenant.

Appropriate Use of Sub-Leased Premises. The Sub-Tenant is required to supply their own furniture and equipment needed for business operation. No machine may be placed on the Premises without the written consent of the Tenant, except for normal business equipment. No freezer, air conditioning unit or system, portable electric heater or similar apparatus shall be installed or used in the Premises by any Sub-Tenant without the written consent of the Landlord and Tenant. Sub-tenants will not use or keep portable light fixtures with halogen bulbs.

The Sub-Tenant, its employees, agents, invitees and all others accessing the Premises shall enter the building in which the Premises are located exclusively by and through the main entrance which the Medical College uses. Movement of goods in or out of the Premises and building shall only be made through entrances designated for that purpose. No hand trucks, carts, etc. shall be used in the Premises and/or the building in which the Premises are located unless equipped with rubber tires. The sidewalks, entrances, passages, elevators, stairways, court yards, halls or other Common Facilities of the building in

which the Premises are located shall not be obstructed by the Sub-Tenant or used in any purpose other than ingress and egress to and from the Premises. No items (including trash, recyclables, furniture, deliveries, etc.) shall be left or put in the halls, lobbies, or other common areas of the building in which the Premises are located.

The scheduling of the use of the shared facilities in the building in which the Premises are located shall be on a first come, first-served basis by notice to the Tenant and shall be subject to Landlord's and Tenant's own requirements, and reasonable use on the part of all Sub-Tenants. The Tenant, in its sole discretion and at any time, may place a cap on the hourly use of conference rooms. This cap would be applicable to all existing and future sub-tenants. The common areas and shared facilities, especially the conference rooms, are not to be considered as additional workspace by the Sub-Tenant.

All facilities and equipment must be left in the condition they were found. Prompt notice must be given of fire, accident, damage or dangerous or defective condition. The Sub-Tenant will promptly provide the Tenant with copies of all incident reports prepared for incidents that occur on the Premises, building in which the Premises are located or real property, including, but not limited to, sidewalks, grass and parking lots of the tax lot on which the Premises are located. If fire or other casualty is caused by an act of neglect of the Sub-Tenant, its employees, guest and/or invitees, then all repairs will be made at the Sub-Tenant's expense.

The Sub-Tenant shall notify the Tenant in advance of any special events planned at the Premises and/or the building in which the Premises are located. Depending on the event, additional insurance or permits may be required.

The Tenant is responsible for the programming of the TV and accessory units in all facilities and for controlling common area temperatures and thermostats. No radio or other noise is permitted that may be heard outside the Premises. The Landlord, Tenant or its agents shall have the right to enter into and upon the Premises, or any part thereof, at all reasonable hours for the purpose of inspecting the same or making such repairs or alterations therein as may be necessary for the safety and preservation thereof. No animals are allowed on the Premises.

The entire building in which the Premises is located, including the Premises and common areas, has been designated in accordance with the New York State Building Code as non-smoking. No smoking is permitted anywhere in the building under any circumstances, this includes e-cigarettes and vaping. Sub-tenants and agents, employees and invitees shall smoke only in designated areas outside the building in which the Premises are located.

The kitchen is communal for all Sub-Tenants. The Sub-Tenant should be courteous of others and clean up after themselves by discarding their own trash, cleaning the microwave after use, leave the sink clean and dish free, and cleaning any messes made while in the kitchen. The Sub-Tenant should label all food and respect items in the refrigerator that belong to other Sub-Tenants. Any food items left in the refrigerator for an extended period of time will be discarded with notification.

The water, restrooms, and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no rubbish, rags or other substances shall be thrown in them. All damages resulting from any misuse of the fixtures shall be borne by the Sub-Tenant who, or whose employees, agents, visitors or licensees, shall have caused the problem.

Parking. The Sub-Tenant and their employees, invitees and guests park on-site at their own risk. Neither landlord nor Tenant is responsible for damage that may occur to vehicles while on site. Sub-tenants, visitors and deliveries shall park in the designated areas only. The Sub-Tenant shall have the use of parking spaces in Lot E and F at Prospect Ave., which shall be signed so indicating. Please do not park in the handicap spot unless legally permitted.

Mail and Deliveries. All United States Postal Service mail and deliveries are accepted at the Medical College, 60 Prospect Avenue, Middletown, New York, main lobby security desk from Monday to Friday during business hours. The “Sub-tenant” mail for all sub-tenants on the Premises will be sorted into one pile. It is the responsibility of the Sub-Tenant to retrieve their own mail and packages at the security desk. If items are being crate shipped the Sub-Tenant must personally coordinate this delivery and be physically present when items are being delivered. No exceptions. Neither Tenant nor Landlord are liable for the Sub-Tenant’s mail, deliveries, or transportation of the aforementioned items. Upon vacating the Premises, the Sub-Tenant must provide Tenant and Landlord with a forwarding phone, fax, and mailing address.

The Sub-Tenant is responsible for the proper disposal associated with delivery packing materials. This includes, but is not limited to, pallets, boxes, plastics, Styrofoam, etc. Sub-tenants must break down corrugated cardboard boxes. Packing material, including Styrofoam peanuts, will be put in a separate plastic bag and tied. Trash cans will be placed in a designated communal location, where the Sub-Tenant has been directed to dispose of all personal trash.

Compliance with Laws, Ordinance, Codes, etc. The Sub-Tenant shall comply with all health, safety, environmental and other ordinances and laws now existing or to be enacted, and the rules and regulations established or to be established by the Landlord and/or Tenant. Neither the Sub-Tenant nor any of the Sub-Tenant’s employees, agents, or visitors shall bring or keep upon the Premises any flammable, combustible, or explosive fluid, chemical, or substance.

The Sub-Tenant is subject to having a health and safety survey performed by an OSHA Supervising Safety & Health Consultant. The evaluation will be coordinated at the discretion of the Tenant and its resident engineer to ensure continued OSHA compliance. Failure to comply with OSHA reviews and standards constitutes a breach of the sub-lease agreement and shall entitle the Tenant with the right to terminate this sub-lease and re-possess the suite.

The Sub-Tenant will not permit use of the Premises which would violate any of the agreements, terms, provisions, and conditions of their sub-lease or which directly and indirectly is forbidden by public law, or governmental regulation or which may be dangerous to life, limb, or property, or which may invalidate or increase the premium cost of any insurance policy carried on the building. This includes storage which would impair the character, reputation, or appearance of the building as a high-quality building or would interfere or tend to impair with any services performed by management. Unlicensed firearms, illegal drugs, and alcoholic beverages are prohibited in all buildings. No sub-tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of the Premises or neighboring offices in the building where the Premises are located or in neighboring buildings.

Public Benefit Corporation. The Tenant is a public benefit corporation under the NYS General Municipal Law. As such it is subject to the Public Authorities Accountability Act, and the Open Meetings and Freedom of Information (FOIL) laws and is bound by such laws.

Reporting. The Sub-Tenant shall report to the Tenant certain metrics, such as jobs created or retained, sales information, investments in new equipment and the like, on an annual basis to ensure compliance with current and future grants. Failure on the part of the Sub-Tenant to cooperate and provide the information in a timely manner to the Tenant shall constitute a breach of this Sub-Lease Agreement and shall entitle the Tenant to terminate this sub-lease and re-possess the Premises.

Security. The Sub-Tenant will cooperate and assist the Tenant with maintaining the security of the building in which the Premises are located. The Sub-Tenant shall be responsible for securing the Premises. The Tenant shall in all cases retain the right to control and prevent access to all persons whose presence in the sole judgment of Landlord and/or Tenant shall be prejudicial to the safety, character, reputation and interests of the building in which the Premises are located. Any contractors or vendors that the Sub-Tenant hires or invites to the Premises and/or the building in which the Premises are located will adhere to the Landlord's "Contractor Policy". However, nothing stated above shall be construed to prevent such access to persons with whom the Sub-Tenant normally deals in the ordinary course of its business unless such persons are engaged in illegal activities or violating the Landlord's Contractor Policy.

Exemption from Liability. The Landlord and Tenant are not responsible for lost or stolen articles. The Sub-Tenant is discouraged from leaving computers, cameras, phones, money or items of value unsecured. The Sub-Tenant is responsible for any/all personal items. The Landlord nor Tenant will not replace or refund any stolen, lost, or damaged property.

Landlord and Tenant shall be exempt from any and all liability for any damage or injury to person or property caused by or resulting from steam, electricity, gas, water, rain, ice or snow, or any leak or flow from or into any part of the Premises and/or the building in which the Premises are located, or the adjacent sidewalks, grounds or parking areas, as well as from any damage or injury resulting or arising from any other causes or happening whatsoever, unless such liability is a result of the Landlord's or Tenant's negligence, nonfeasance, malfeasance or misfeasance.

Landlord has the right to demolish or rebuild the building in which the Premises are located if there is substantial damage caused by fire or another casualty. Landlord may cancel leases and therefor cancel all sub-leases within thirty (30) days after substantial fire or casualty by notice with intent to demolish or rebuild.

Insurance. The Sub-Tenant is required to maintain Comprehensive General Liability Insurance in the amount of \$1 million for bodily injury and \$500,000 for property damage covering their activities in the Premises. A Certificate of Insurance evidencing these coverages shall be provided to the Tenant concurrently with the signing of this Sub-Lease Agreement. The Tenant and its Managing Director, their officers and employees shall be named as additional insured. If the Sub-Tenant has employees, then the Sub-Tenant must provide evidence of NYS Workers' Compensation and Disability insurance. The Sub-Tenant agrees not to bring or install anything in the suite that will increase the Tenant's insurance rate. The Sub-Tenant agrees not to conduct any disreputable, unlawful or inherently dangerous activity in the workplace. The Sub-Tenant is responsible for providing insurance for the personal contents and personal property kept in their suite.

Default. The Sub-Tenant shall comply with the terms of this lease and shall not disturb or interfere with the use and occupancy of any other tenants or sub-tenants in the building. In the event the Sub-Tenant shall violate this sub-lease agreement or violate the terms of the Lease or interfere with the use and occupancy of any other tenants or sub-tenants in the building, Landlord and/or the Tenant shall provide the Sub-Tenant with notice of such violation and give 30 days to remedy the violation. In the event the violation is not remedied within 30 days of notice the Landlord and/or the Tenant may terminate the sub-lease and pursue all available remedies against the Sub-tenant.

Finally, you agree that if the Sub-Tenant vacates the suite, violates the sub-lease agreement conditions, or defaults in the rent for more than one month, the Tenant may terminate the sub-lease and re-possess the suite.

RIGHT TO TERMINATE. The Tenant and the Sub-Tenant shall each have the absolute right, in their sole discretion, to terminate this Sub-Lease Agreement, without cause, at any time, upon at least thirty (30) days prior written notice. The thirty (30) day period to terminate the Sub-Lease Agreement shall commence on the first of the month following the issuance of the Notice to Terminate and the Sub-Lease Agreement shall be deemed terminated, null and void as of the last day of such month. The Sub-Tenant shall vacate the Premises on or before the last day of such month.

A to Z Consulting, Inc.

By: _____

Michael Torelli
Chairperson, Orange County IDA

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
4 CROTTY LANE- SUITE 100
STEWART INTERNATIONAL AIRPORT
NEW WINDSOR, NEW YORK 12553
845-234-4449; Fax 845-220-2228

March 16, 2022

**A to Z Consulting, Inc.
60 Prospect Avenue
Middletown, NY 10940**

Re: Sub-Lease Agreement for Suite 15 (248 square feet), 60 Prospect Ave, Middletown, NY 10940

Dear A to Z Consulting, Inc.:

This will constitute the sub-lease agreement between the Orange County IDA, referred to as the “Tenant” and your company, referred to as the “Sub-Tenant” for the sub-lease of Suite 15, 248 square feet located at 60 Prospect Avenue, Middletown, New York 10940 (the “Premises”). In this agreement, The Danza Leser Group, LLC will be referred to as “the Landlord”. The purpose of the sub-lease agreement is to encourage the creation, expansion and retention of businesses and high-paying jobs in Orange County. The rent you pay is subsidized by the Orange County IDA for those purposes. The sub-leased premises must be used actively toward those purposes or the sub-lease will terminate.

Rent. Rent is payable on the first day of each month, together with any fees accrued from the previous month. Rent is due whether or not a statement has been rendered. The maximum term of the sub-lease is from April 1, 2022, to November 19, 2022. The sub-lease is not assignable or transferable, and the suite may not be sublet. If your company cannot meet the purposes of the sub-lease, or otherwise decides to leave, you may do so on thirty (30) days’ written notice without penalty.

Purpose: Office / Manufacturing Space (248 sq ft)
Rent per month: **\$310.00 (\$15/ft. x 248 sq. ft.; \$3,720.00/year divided by 12 months= \$310.00/month)**
Original Date of Occupancy: **April 1, 2022**
Date Rent Commences under this Sub-Lease: **April 1, 2022**
Date of Expiration: **November 19, 2022**

Utilities. The monthly rental includes electric, heat, water, real property taxes, parking, common area maintenance, certain amenities, kitchen, rest rooms, shared use of conference rooms, hard wired and wireless internet access.

The Tenant will provide hard wired and wireless internet access. The Tenant does not provide IT services to its tenants. Sub-Tenants can have unlimited access to the high-capacity copy, fax and scanning machine for \$10 per month. If the Sub-Tenant chooses this option, the fee will be included in the monthly rent invoice. A client identifier PIN code will be assigned to access the copy machine.

Access. The Sub-Tenant will have access 24/7 to the Premises. Sub-tenants will be issued key cards, door codes, and keys to access 60 Prospect Avenue, Middletown, New York. Key cards grant access to the front door of the building. The first key cards are free of charge and one is issued per member of the Sub-Tenant company with their photo on it. The first time the Sub-Tenant (entire company) loses a card it's free of charge. Subsequent lost cards will be \$10 each. The Sub-Tenant will receive 2 keys to the Premises. The Sub-Tenant is encouraged to make and distribute copies to their associates. If the Sub-Tenants lose their keys, security will let give access to that associate with ID. If all keys are lost the Sub-Tenant is responsible to pay for the installation of a new lock. Sub-tenants will be charged a fee should they vacate the Premises without returning key cards and keys.

Attendance. The Sub-Tenant is expected to have at least two staff members onsite of the Premises for a minimum of three days a week.

Alterations to Sub-leased Premises. The Sub-Tenant is not allowed to make any alterations, modifications, or improvements to the Premises or the building in which the Premises are located without first obtaining written consent from the Landlord and Tenant. The Sub-Tenant is not permitted to hang anything from the ceiling or ceiling grid. The Sub-Tenant shall not paint or drill into or in any way deface any part of the Premises or the building in which the Premises are located. No boring, cutting or stringing of wires shall be permitted. No awnings or other projections shall be attached to the outside of the building. No curtains, blinds, shades, screens or window tint shall be installed. The Sub-Tenant will not hang, tape, or display anything in the window, which is visible from the outside, especially signs and posters. The Sub-Tenant shall not install any signs in the building common area or on the entrance. The Tenant reserves the right to request removal of any of the above items installed without prior written consent of Tenant. Any alterations, modifications, or improvements by Sub-tenants shall be performed by an approved agent of the Tenant and become the property of the Tenant and shall be surrendered at the termination or expiration of the agreement without compensation. Any alterations, modifications, or improvements shall not impair the safety or appearance of the Premises and/or the building in which the Premises are located and shall be made according to all applicable laws, ordinances, regulations, and policies, including but not limited to those of the Tenant.

No additional locks or bolts of any kind shall be placed upon any door or window by the Sub-Tenant, nor shall any changes be made to existing locks or mechanisms without prior approval of the Tenant.

Appropriate Use of Sub-Leased Premises. The Sub-Tenant is required to supply their own furniture and equipment needed for business operation. No machine may be placed on the Premises without the written consent of the Tenant, except for normal business equipment. No freezer, air conditioning unit or system, portable electric heater or similar apparatus shall be installed or used in the Premises by any Sub-Tenant without the written consent of the Landlord and Tenant. Sub-tenants will not use or keep portable light fixtures with halogen bulbs.

The Sub-Tenant, its employees, agents, invitees and all others accessing the Premises shall enter the building in which the Premises are located exclusively by and through the main entrance which the Medical College uses. Movement of goods in or out of the Premises and building shall only be made through entrances designated for that purpose. No hand trucks, carts, etc. shall be used in the Premises and/or the building in which the Premises are located unless equipped with rubber tires. The sidewalks, entrances, passages, elevators, stairways, court yards, halls or other Common Facilities of the building in which the Premises are located shall not be obstructed by the Sub-Tenant or used in any purpose other than ingress and egress to and from the Premises. No items (including trash, recyclables, furniture,

deliveries, etc.) shall be left or put in the halls, lobbies, or other common areas of the building in which the Premises are located.

The scheduling of the use of the shared facilities in the building in which the Premises are located shall be on a first come, first-served basis by notice to the Tenant and shall be subject to Landlord's and Tenant's own requirements, and reasonable use on the part of all Sub-Tenants. The Tenant, in its sole discretion and at any time, may place a cap on the hourly use of conference rooms. This cap would be applicable to all existing and future sub-tenants. The common areas and shared facilities, especially the conference rooms, are not to be considered as additional workspace by the Sub-Tenant.

All facilities and equipment must be left in the condition they were found. Prompt notice must be given of fire, accident, damage or dangerous or defective condition. The Sub-Tenant will promptly provide the Tenant with copies of all incident reports prepared for incidents that occur on the Premises, building in which the Premises are located or real property, including, but not limited to, sidewalks, grass and parking lots of the tax lot on which the Premises are located. If fire or other casualty is caused by an act of neglect of the Sub-Tenant, its employees, guest and/or invitees, then all repairs will be made at the Sub-Tenant's expense.

The Sub-Tenant shall notify the Tenant in advance of any special events planned at the Premises and/or the building in which the Premises are located. Depending on the event, additional insurance or permits may be required.

The Tenant is responsible for the programming of the TV and accessory units in all facilities and for controlling common area temperatures and thermostats. No radio or other noise is permitted that may be heard outside the Premises. The Landlord, Tenant or its agents shall have the right to enter into and upon the Premises, or any part thereof, at all reasonable hours for the purpose of inspecting the same or making such repairs or alterations therein as may be necessary for the safety and preservation thereof. No animals are allowed on the Premises.

The entire building in which the Premises is located, including the Premises and common areas, has been designated in accordance with the New York State Building Code as non-smoking. No smoking is permitted anywhere in the building under any circumstances, this includes e-cigarettes and vaping. Sub-tenants and agents, employees and invitees shall smoke only in designated areas outside the building in which the Premises are located.

The kitchen is communal for all Sub-Tenants. The Sub-Tenant should be courteous of others and clean up after themselves by discarding their own trash, cleaning the microwave after use, leave the sink clean and dish free, and cleaning any messes made while in the kitchen. The Sub-Tenant should label all food and respect items in the refrigerator that belong to other Sub-Tenants. Any food items left in the refrigerator for an extended period of time will be discarded with notification.

The water, restrooms, and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no rubbish, rags or other substances shall be thrown in them. All damages resulting from any misuse of the fixtures shall be borne by the Sub-Tenant who, or whose employees, agents, visitors or licensees, shall have caused the problem.

Parking. The Sub-Tenant and their employees, invitees and guests park on-site at their own risk. Neither landlord nor Tenant is responsible for damage that may occur to vehicles while on site. Sub-tenants, visitors and deliveries shall park in the designated areas only. The Sub-Tenant shall have the use

of parking spaces in Lot E and F at Prospect Ave., which shall be signed so indicating. Please do not park in the handicap spot unless legally permitted.

Mail and Deliveries. All United States Postal Service mail and deliveries are accepted at the Medical College, 60 Prospect Avenue, Middletown, New York, main lobby security desk from Monday to Friday during business hours. The “Sub-tenant” mail for all sub-tenants on the Premises will be sorted into one pile. It is the responsibility of the Sub-Tenant to retrieve their own mail and packages at the security desk. If items are being crate shipped the Sub-Tenant must personally coordinate this delivery and be physically present when items are being delivered. No exceptions. Neither Tenant nor Landlord are liable for the Sub-Tenant’s mail, deliveries, or transportation of the aforementioned items. Upon vacating the Premises, the Sub-Tenant must provide Tenant and Landlord with a forwarding phone, fax, and mailing address.

The Sub-Tenant is responsible for the proper disposal associated with delivery packing materials. This includes, but is not limited to, pallets, boxes, plastics, Styrofoam, etc. Sub-tenants must break down corrugated cardboard boxes. Packing material, including Styrofoam peanuts, will be put in a separate plastic bag and tied. Trash cans will be placed in a designated communal location, where the Sub-Tenant has been directed to dispose of all personal trash.

Compliance with Laws, Ordinance, Codes, etc. The Sub-Tenant shall comply with all health, safety, environmental and other ordinances and laws now existing or to be enacted, and the rules and regulations established or to be established by the Landlord and/or Tenant. Neither the Sub-Tenant nor any of the Sub-Tenant’s employees, agents, or visitors shall bring or keep upon the Premises any flammable, combustible, or explosive fluid, chemical, or substance.

The Sub-Tenant is subject to having a health and safety survey performed by an OSHA Supervising Safety & Health Consultant. The evaluation will be coordinated at the discretion of the Tenant and its resident engineer to ensure continued OSHA compliance. Failure to comply with OSHA reviews and standards constitutes a breach of the sub-lease agreement and shall entitle the Tenant with the right to terminate this sub-lease and re-possess the suite.

The Sub-Tenant will not permit use of the Premises which would violate any of the agreements, terms, provisions, and conditions of their sub-lease or which directly and indirectly is forbidden by public law, or governmental regulation or which may be dangerous to life, limb, or property, or which may invalidate or increase the premium cost of any insurance policy carried on the building. This includes storage which would impair the character, reputation, or appearance of the building as a high-quality building or would interfere or tend to impair with any services performed by management. Unlicensed firearms, illegal drugs, and alcoholic beverages are prohibited in all buildings. No sub-tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of the Premises or neighboring offices in the building where the Premises are located or in neighboring buildings.

Public Benefit Corporation. The Tenant is a public benefit corporation under the NYS General Municipal Law. As such it is subject to the Public Authorities Accountability Act, and the Open Meetings and Freedom of Information (FOIL) laws and is bound by such laws.

Reporting. The Sub-Tenant shall report to the Tenant certain metrics, such as jobs created or retained, sales information, investments in new equipment and the like, on an annual basis to ensure compliance

with current and future grants. Failure on the part of the Sub-Tenant to cooperate and provide the information in a timely manner to the Tenant shall constitute a breach of this Sub-Lease Agreement and shall entitle the Tenant to terminate this sub-lease and re-possess the Premises.

Security. The Sub-Tenant will cooperate and assist the Tenant with maintaining the security of the building in which the Premises are located. The Sub-Tenant shall be responsible for securing the Premises. The Tenant shall in all cases retain the right to control and prevent access to all persons whose presence in the sole judgment of Landlord and/or Tenant shall be prejudicial to the safety, character, reputation and interests of the building in which the Premises are located. Any contractors or vendors that the Sub-Tenant hires or invites to the Premises and/or the building in which the Premises are located will adhere to the Landlord's "Contractor Policy". However, nothing stated above shall be construed to prevent such access to persons with whom the Sub-Tenant normally deals in the ordinary course of its business unless such persons are engaged in illegal activities or violating the Landlord's Contractor Policy.

Exemption from Liability. The Landlord and Tenant are not responsible for lost or stolen articles. The Sub-Tenant is discouraged from leaving computers, cameras, phones, money or items of value unsecured. The Sub-Tenant is responsible for any/all personal items. The Landlord nor Tenant will not replace or refund any stolen, lost, or damaged property.

Landlord and Tenant shall be exempt from any and all liability for any damage or injury to person or property caused by or resulting from steam, electricity, gas, water, rain, ice or snow, or any leak or flow from or into any part of the Premises and/or the building in which the Premises are located, or the adjacent sidewalks, grounds or parking areas, as well as from any damage or injury resulting or arising from any other causes or happening whatsoever, unless such liability is a result of the Landlord's or Tenant's negligence, nonfeasance, malfeasance or misfeasance.

Landlord has the right to demolish or rebuild the building in which the Premises are located if there is substantial damage caused by fire or another casualty. Landlord may cancel leases and therefor cancel all sub-leases within thirty (30) days after substantial fire or casualty by notice with intent to demolish or rebuild.

Insurance. The Sub-Tenant is required to maintain Comprehensive General Liability Insurance in the amount of \$1 million for bodily injury and \$500,000 for property damage covering their activities in the Premises. A Certificate of Insurance evidencing these coverages shall be provided to the Tenant concurrently with the signing of this Sub-Lease Agreement. The Tenant and its Managing Director, their officers and employees shall be named as additional insured. If the Sub-Tenant has employees, then the Sub-Tenant must provide evidence of NYS Workers' Compensation and Disability insurance. The Sub-Tenant agrees not to bring or install anything in the suite that will increase the Tenant's insurance rate. The Sub-Tenant agrees not to conduct any disreputable, unlawful or inherently dangerous activity in the workplace. The Sub-Tenant is responsible for providing insurance for the personal contents and personal property kept in their suite.

Default. The Sub-Tenant shall comply with the terms of this lease and shall not disturb or interfere with the use and occupancy of any other tenants or sub-tenants in the building. In the event the Sub-Tenant shall violate this sub-lease agreement or violate the terms of the Lease or interfere with the use and occupancy of any other tenants or sub-tenants in the building, Landlord and/or the Tenant shall provide the Sub-Tenant with notice of such violation and give 30 days to remedy the violation. In the event the violation is not remedied within 30 days of notice the Landlord and/or the Tenant may terminate the sub-lease and pursue all available remedies against the Sub-tenant.

Finally, you agree that if the Sub-Tenant vacates the suite, violates the sub-lease agreement conditions, or defaults in the rent for more than one month, the Tenant may terminate the sub-lease and re-possess the suite.

RIGHT TO TERMINATE. The Tenant and the Sub-Tenant shall each have the absolute right, in their sole discretion, to terminate this Sub-Lease Agreement, without cause, at any time, upon at least thirty (30) days prior written notice. The thirty (30) day period to terminate the Sub-Lease Agreement shall commence on the first of the month following the issuance of the Notice to Terminate and the Sub-Lease Agreement shall be deemed terminated, null and void as of the last day of such month. The Sub-Tenant shall vacate the Premises on or before the last day of such month.

A to Z Consulting, Inc.

By: _____

Michael Torelli
Chairperson, Orange County IDA

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Secretary of the Orange County Industrial Development Agency, do hereby certify:

That I have compared the foregoing extract of the minutes of the Regular Meeting of the Orange County Industrial Development Agency (the “Agency”), including the resolution contained therein, held on the 16th day of March, 2022, with the original thereof on file in my office, and the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

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

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

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this day of March, 2022

, Secretary

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY (IDA)

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York and the New York General Municipal Law Section 912, (herein collectively referred to as the "Act"), the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (hereinafter referred to as the "Agency"), was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, on August 22, 2017, the Agency entered into a Lease Agreement with the Danza Leser Group, LLC, for the lease of approximately 7500 sq. ft. of space, which included Suites 1 through Suite 19, located at 60 Prospect Avenue, Middletown, New York, 10940 (the "Premises"); and

WHEREAS, subsequent to August 22, 2017, the Accelerator, a subsidiary of the Agency (the "Accelerator"), entered into numerous sublease agreements with various tenants (the "Initial Subleases") to sublet, on behalf of the Agency, Suites 1, 2, 3, 5, 6, 7, 9, 11, 12, 17 and 18 (the "Leased Suites"), for the purpose of creating, encouraging and retaining business and high paying jobs in Orange County; and

WHEREAS the Agency will no longer be using the assistance of the Accelerator as its Agent to enter into extensions of the Initial Subleases, but will, instead, act on its own behalf in negotiating and entering into any extensions of the Initial Subleases; and

WHEREAS all of the Initial Subleases have or will soon have expired; and

WHEREAS the Agency's lease of the Premises will expire as of November 19, 2022; and

WHEREAS the Agency desires to offer A to Z Consulting, Inc., a subtenant of the Initial Subleases an opportunity to sublet a portion of the Leased Suites, specifically Suite 15 and Suites 2.1 and 2.2 ("Clean Rooms") (the "A to Z Consulting, Inc. Premises") up to the date on which the Agency's lease terminates, on November 19, 2022, if not earlier terminated by either party; (the "A to Z Consulting, Inc. Subleases"); and

WHEREAS the Agency desires to negotiate the rental payments due in connection with the A to Z Consulting, Inc. Subleases; and

WHEREAS the proposed A to Z Consulting, Inc. Subleases are attached hereto and made apart hereof and have been reviewed by the Agency; and

WHEREAS, after analysis and discussion, the Board of Directors of the Agency, by a majority vote of the members, at a Regular meeting, at which a quorum was present, have reviewed the A to Z Consulting, Inc. Subleases and have determined that it would be in the best interest of the Agency to adopt a resolution authorizing the execution of the A to Z Consulting, Inc. Subleases, substantially in the form annexed hereto;and

NOW, THEREFORE, BE IT RESOLVED, BY THE MEMBERS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

RESOLVED, that the Agency is hereby authorized to offer the A to Z Consulting, Inc. Subleases to A to Z Consulting, Inc., which A to Z Consulting, Inc. Subleases shall expire on November 19, 2022, the date on which the Agency's lease terminates, if not earlier terminated by either party; and be it further

RESOLVED, that the Agency has reviewed and approved the A to Z Consulting, Inc. Subleases, substantially in the form annexed hereto, and hereby authorizes the Chairperson, Vice Chairperson and/or Chief Executive Officer of the Agency to negotiate the final terms of the A to Z Consulting, Inc. Subleases, including, but not limited to, the rental payments for the A to Z Consulting, Inc. Subleases, and to agree upon such terms and conditions as the Chairperson, Vice Chairperson and/or Chief Executive Officer of the Agency shall, in his or her sole discretion, deem acceptable; and be it further

RESOLVED, that the Agency hereby authorizes the Chairperson, Vice Chairperson and/or Chief Executive Officer of the Agency to execute the A to Z Consulting, Inc. Subleases on such terms and conditions as the Chairperson, Vice Chairperson, and/or Chief Executive Officer of the Agency shall, in his or her sole discretion, deem acceptable; and be it further

RESOLVED, that the Chairperson, Vice Chairperson and/or Chief Executive Officer of the Agency are hereby authorized and directed, in the name of and on behalf of the Agency, to do and perform all such other acts, and to sign and make such other agreements, and to execute any other documents and to take or omit such other actions as he or she, in his or her sole discretion, shall deem necessary or advisable to enter into the A to Z Consulting, Inc. Subleases and to carry out the intent of these resolutions.

RESOLVED, that these Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call on March 16, 2022, which resulted as follows:

In favor ____ Against ____ Motion ____ does ____ does not carry.

Michael Torelli
Chairperson, Orange County IDA