

**INITIAL RESOLUTION**  
(Citiva Medical LLC – Warwick Facility Project)

A regular meeting of the Orange County Industrial Development Agency held on January 19, 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 the Chairman and upon the roll being duly called, the following members were:

**MEMBERS PRESENT** (in person or via Tele/Videoconference in accordance with the Governor's Executive Order 202.1): Michael Torelli, Paul Ruszkiewicz, Vincent Odock, Dean Tamburri

**THE FOLLOWING PERSONS WERE ALSO PRESENT** (in person or via Tele/Videoconference in accordance with the Governor's Executive Order 202.1): William Fioravanti, Susan Katzoff, Esq., Lori McRobbie, Russell Gaenzle, Esq., Dean Brady

The following Resolution was offered by Michael Torelli and seconded by Dean Tamburri:

**RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF CITIVA MEDICAL LLC AND iANTHUS EMPIRE HOLDINGS, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW), (ii) DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND (iii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO SUCH 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, (hereinafter collectively called the "*Act*"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "*Agency*") was created with the authority and power and for the purpose of, among other things, acquiring, constructing, reconstructing and equipping manufacturing, warehousing, research, commercial, or industrial 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*"), have submitted an application (the "*Application*") to the Agency requesting the Agency's assistance with 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**, the value of the requested Financial Assistance does not include the Second Phase; and

**WHEREAS**, pursuant to Article 18-A of the General Municipal Law, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project; 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 with respect to the environmental impact of any "action" (as said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Project constitutes such an action; and

**WHEREAS**, the Agency has not yet made a determination under SEQRA; and

**WHEREAS**, the Agency has not approved undertaking the Project or granting the Financial Assistance; and

**WHEREAS**, the grant of Financial Assistance to the Project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

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

**SECTION 1.** The Company has presented the Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's Application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Project constitutes a "project" within the meaning of the Act;

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The Financial Assistance contemplated with respect to the Project consists of assistance in the form of exemptions from State and local sales and use taxation and real property tax. The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Orange County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and

**SECTION 2.** Each the Chairman, Vice Chairman, Chief Executive Officer and/or the Chief Operating Officer of the Agency are hereby authorized, on behalf of the Agency, to hold a public hearing pursuant to Section 859-a of the Act. A public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the Project is located.

**SECTION 3.** The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required 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 the officer, employee or agent 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.** The Secretary, Chief Operating Officer or the Chief Executive Officer of the Agency is hereby authorized to and may distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

**SECTION 5.** In the event that (a) the Company does not proceed to final Agency approval within six (6) months of the date hereof; and/or (b) close with the Agency on the proposed Financial Assistance within twelve (12) months of the date hereof, the Agency reserves the right to rescind and cancel this Resolution and all approvals made hereunder or under any other Agency resolution or action.

**SECTION 6.** 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:

	<u><i>Yea</i></u>	<u><i>Nay</i></u>	<u><i>Absent</i></u>	<u><i>Abstain</i></u>
Michael Torelli	X			
Paul Ruszkiewicz	X			
Vincent Odock	X			
Dean Tamburri	X			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK     )  
COUNTY OF ORANGE    ) SS:

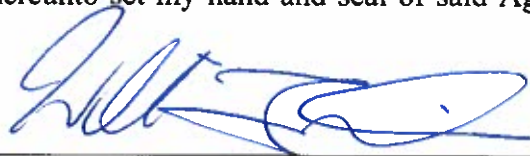
I, the undersigned Chief Executive Officer of the Orange County Industrial Development Agency, **DO HEREBY CERTIFY**:

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 January 19, 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: (i) all members of the Agency had due notice of such meeting; (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), as temporarily amended by Executive Order 202.1 issued on March 12, 2020 ("**EO 202.1**"), as amended and extended from time to time, such meeting was open to the general public and public notice of the time and how to participate in such meeting was duly given in accordance with such Section 104 and EO 202.1; (iii) the meeting was in all respects duly held; and 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 19<sup>th</sup> day of January, 2022.



William Fioravanti, Chief Executive Officer

(S E A L)