

AUTHORIZING RESOLUTION

(ALSTOM Transportation Inc. Project – Carbody Shell Manufacturing Facility)

A regular meeting of the City of Hornell Industrial Development Agency was convened on Thursday, December 15, 2022.

The following resolution was duly offered and seconded, to wit:

Resolution No. 12/2022 - _____

RESOLUTION OF THE CITY OF HORNELL INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) AUTHORIZING ADDITIONAL SALES AND USE TAX EXEMPTION BENEFITS FOR THE BENEFIT OF ALSTOM TRANSPORTATION INC. (THE "COMPANY"), AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED (INCREASED AND EXTENDED) NYS FORM ST-60, "IDA APPOINTMENT OF PROJECT OPERATOR OR AGENT" AND RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 670 of the Laws of 1974 of the State of New York, as amended (collectively, the "Act"), the **CITY OF HORNELL INDUSTRIAL DEVELOPMENT AGENCY** (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, the Agency previously appointed **ALSTOM TRANSPORTATION INC.** (the "Company") as agent of the Agency to a certain consisting of (i) the retention by the Agency of its fee interest in certain land located at 3 Shawmut Park Drive in the City of Hornell, Steuben County, New York (the "Land") known more commonly as "Shawmut Industrial Park", (ii) the construction on the Land of a new approximately 135,000 square foot manufacturing facility that will include an approximately 18,000 square foot warehouse building, an approximately 12,000 square foot office building and approximately 105,000 square feet of manufacturing space, along with a parking area to accommodate approximately 140 parking stalls (the "Improvements"), and (iii) the acquisition and installation in and around the Improvements of certain items of equipment, machinery and other tangible personal property (the "Equipment"; and, collectively with the Land, and the Improvements, the "Facility"); and

WHEREAS, in connection with the Project, the Agency executed (i) a certain Project Agreement, dated as of July 1, 2021 (the "Project Agreement"), by and between the Agency and the Company, and (ii) a certain NYS Form ST-60 "IDA Appointment of Project Operator or Agent" expiring December 31, 2022, pursuant to which the Agency authorized to purchase goods and services, as agent of the Agency, for the Project resulting in a sales and use tax exemption benefit in an amount not to exceed \$240,000; and

WHEREAS, after the execution of the Project Agreement, it was contemplated by the Company that to complete the Project the Company required a sales and use exemption benefit in an increased amount of up to \$1,788,000; and

WHEREAS, upon further reflection and review by the Company, the Company has determined that to complete the Project it will require a sales and use tax exemption benefit in an amount of up to \$1,200,000; and

WHEREAS, the Company has requested that the Agency (1) extend the agent status of the Company in connection with the Project from December 31, 2022, to December 31, 2023, and (2) authorize a sales and use tax exemption benefit in connection with the Project in an amount of up to \$1,200,000; and

WHEREAS, the Agency desires to authorize and approve (i) an extension of the agent status of the Company from December 31, 2022, to December 31, 2023, 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 the aggregate amount up to \$15,000,000, which results in New York State and local Sales and Use Tax Exemption Benefits in the aggregate amount of up to \$1,200,000 (the "Total Sales and Use Tax Exemption Benefits").

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

Section 1. Based upon the representation and warranties made by the Company in the Correspondence, the Agency hereby authorizes and approves 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 the aggregate amount of up to \$15,000,000, which results in New York State and local Sales and Use Tax Exemption Benefits of up to \$1,200,000. The Agency agrees to consider any further requests by the Company to increase the Total Sales and Use Tax Exemption Benefits upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 2. Pursuant to Section 875(3) of the New York General Municipal Law, 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 sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Total Sales and Use Tax Exemption Benefits; (ii) the Total Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Total Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the Total Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to

make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving the Total 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, must (i) cooperate with the Agency in its efforts to recover or recapture any Total Sales and Use Tax Exemption Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 3. Based upon the representation and warranties made by the Company in the Correspondence, the Agency hereby authorizes and approves an extension of the Company's status, as agent of the Agency for the Project, to December 31, 2023.

Section 4. The Executive Director, Chairman and/or Vice Chairman are hereby authorized, on behalf of the Agency, to execute and file with NYS IDA Unit an amended (increased and extended) NYS Form ST-60, "IDA Project Operator or Agent", and any documents necessary and incidental thereto.

Section 5. 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 6. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Michael Nisbet	[X]	[]	[]	[]
Sam Nasca	[X]	[]	[]	[]
David Parmley	[X]	[]	[]	[]
John Carbone	[X]	[]	[]	[]
Ed Flaitz	[X]	[]	[]	[]
John Buckley	[X]	[]	[]	[]
Richard Andolina	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

CERTIFICATION

(ALSTOM Transportation Inc. Project – Carbody Shell Manufacturing Facility)

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

I, the undersigned, Secretary, of the City of Hornell Industrial Development Agency, DO
HEREBY CERTIFY:

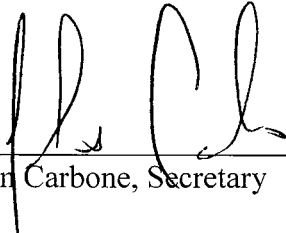
That I have compared the annexed extract of minutes of the meeting of the City of Hornell Industrial Development Agency (the "Agency"), including the resolution contained therein, held on December 15, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and 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 related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the Agency had due notice of the meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), the meeting was open to the general public and that public notice of the time and place of the meeting was duly given in accordance with such 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 affixed the seal of said Agency this 15th day of December, 2022.



John Carbone, Secretary