

AUTHORIZING RESOLUTION
(TTA Systems, LLC Project)

A regular meeting of the City of Hornell Industrial Development Agency was convened on Thursday, February 13, 2020, at 5:00 p.m.

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

Resolution No. 02/2020

RESOLUTION AUTHORIZING THE CITY OF HORNELL INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) AUTHORIZE AN EXTENSION OF THE SALES AND USE TAX EXEMPTION BENEFITS APPROVED FOR THE BENEFIT OF TTA SYSTEMS, LLC (THE "COMPANY"), AS AGENT OF THE AGENCY, IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW (THE "PROJECT") UNTIL DECEMBER 31, 2020, (ii) AMEND THE AGENT AGREEMENT TO REFLECT THE EXTENDED AGENCY EXPIRATION DATE, AND (iii) EXECUTE AND DELIVER DOCUMENTS NECESSARY TO EFFECTUATE THE FOREGOING.

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 (hereinafter collectively called the "Act"), the **CITY OF HORNELL INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "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 previously adopted by the Agency, the Agency appointed **TTA SYSTEMS, LLC** (the "Company") the true and lawful agent of the Agency to undertake a certain project (the "Project"), consisting of: (i) the acquisition of a leasehold or other interest in certain real property located at One William K. Jackson Lane, City of Hornell, Steuben County, New York (being more particularly identified as tax map identification number 151.10-01-066.000) (the "Land") and the existing improvements located thereon, consisting principally of the Company's existing manufacturing complex (the "Existing Improvements"), (ii) the reconstruction and renovation of the Existing Improvements, (iii) the construction of a 6,629 square foot addition to the Existing Improvements (collectively, (ii) and (iii) shall be referred to as the "Improvements"), and (iv) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"), to be used for manufacturing and overhauling of railcar products, including, but not limited to, trucks, HVAC units and electrical components, for mass transit and railcar builders; and

WHEREAS, in connection with the Project, the Agency (i) executed, among other things, a certain Agent, Financial Assistance and Project Agreement with the Company, dated as of December 28, 2018 (the "Agent Agreement"), pursuant to which the Agency designated the Company as its agent for the purpose of acquiring, constructing and equipping the Facility, (ii) provided financial assistance to the Company in the form of a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project (the "STE Benefits"), and (iii) to effectuate the Agent Agreement and STE Benefits, (a) executed certain STE Benefits documents, as extended from time to time, and a related NYS Form ST-60, "IDA Appointment of Project Operator or Agent", as extended from time to time, each expiring December 31, 2019; and

WHEREAS, by correspondence dated on or about February 10, 2020 (the "Correspondence"), the Company requested that the Agency extend the Agent Agreement expiration date by one (1) year to accommodate an unexpected increase in the expense and time needed to complete the Project; and

WHEREAS, the Agency desires to adopt a resolution authorizing the execution and delivery of certain STE Benefits documents and related NYS Form ST-60 for an additional one (1) year to effectuate the foregoing; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively, "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to provide the increased STE Benefits.

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

Section 1. Pursuant to the resolution adopted by the Agency on December 20, 2018, the Agency (i) determined that the Project constitutes an "Unlisted Action" (as such quoted term is defined under SEQRA), and (ii) issued a "negative declaration" (as such quoted term is defined under SEQRA) with respect to the Project.

Section 2. Based upon the representation and warranties made by the Company in the Correspondence, the Agency hereby authorizes and approves the extension of the Agency Agreement expiration date to **December 31, 2020**.

Section 3. Based upon the representation and warranties made by the Company in the Correspondence, the Agency hereby authorizes amending the Agency Agreement to include the extension of the expiration date.

Section 4. Pursuant to Section 875(3) of the Act, 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 of the STE 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 STE Benefits; (ii) the STE 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 STE Benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the STE 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; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and 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 (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving the STE Benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any of the STE Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

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>Abstain</i>	<i>Absent</i>
Samuel Nasca	[X]	[]	[]	[]
Dave Parmley	[X]	[]	[]	[]
John Buckley	[X]	[]	[]	[]
John Carbone	[X]	[]	[]	[]
Ed Flaitz	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

CERTIFICATION
(TTA Systems, LLC Project)

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

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

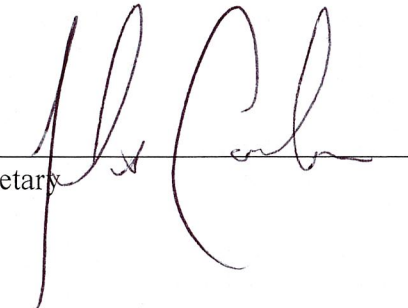
That I have compared the annexed extract of minutes of the meeting of the City of Hornell Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 13, 2020, with the original thereof on file in the office of the Agency, and that the same is a true and 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 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 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 ___ day of February, 2020.



Secretary