

**RESOLUTION AUTHORIZING ASSIGNMENT AND ASSUMPTION
KAN-PAK, LLC PROJECT**

A special meeting of Yates County Industrial Development Agency (the "Agency") was convened in public session in the offices of the Agency located at One Keuka Business Park in Penn Yan, Yates County, New York on April 17, 2019 at 8:00 o'clock a.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Gene Pierce	Chairman
Jerry Hiller	Vice Chairman
Dr. Kim Williams	Secretary
Jim Willson	Member

ABSENT:

William Holgate	Member
Rita Gow	Treasurer
Sirene Garcia	Assistant Secretary/Treasurer

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Steve Griffin	Chief Executive Officer
Doreen Jensen	Chief Financial Officer
Michael Lipari	Economic Development Specialist

The following resolution was offered by Jerry Hiller, seconded by Dr. Kim Williams, to wit:

Resolution No. 0419-__

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE ASSIGNMENT AND ASSUMPTION OF THE AGENCY DOCUMENTS RELATING TO THE KAN-PAK, LLC PROJECT.

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Kan-Pak, LLC (the "Company") is the owner of a dairy products manufacturing and distribution facility located on Horizon Park Drive in the Village of Penn Yan, Town of Milo, Yates County, New York (the various improvements, parcels of real estate and machinery and equipment hereinafter collectively referred to as the "Project Facility"); and

WHEREAS, the Company has entered into various documents and agreements with the Agency in connection with the acquisition, construction, reconstruction and installation of the Project Facility, including but not limited to, (A) (1) an amended and restated lease agreement dated as of February 1, 2008 (the "2008 Lease Agreement"), and (2) the other Basic Documents (as defined in the 2008 Lease Agreement, and as referred to in this resolution, the "2008 Basic Documents"), and (B) (1) a lease agreement dated as of February 1, 2016 (the "2016 Lease Agreement") (the 2008 Lease Agreement and the 2016 Lease Agreement are hereinafter collectively referred to as the "Lease Agreements"), and (2) the other Basic Documents (as defined in the 2016 Lease Agreement, and as referred to in this resolution, the "2016 Basic Documents"); and

WHEREAS, the 2008 Basic Documents and the 2016 Basic Documents, together with any and all other documents entered into between the Agency and the Company are hereinafter collectively referred to as the "Basic Documents"; and

WHEREAS, by an application (the "Assignment Application") submitted by the Company to the Agency on behalf of Penn Yan Manufacturing Realty, LLC, a Missouri limited liability company (the "New Company"), the Agency has been requested (A) to consent to and approve the assignment to, and assumption by the New Company, of all of the Company's interest in the Project Facility and the Basic Documents and (B) to authorize the assumption by the New Company of all obligations of the Company under the Basic Documents, pursuant to an assignment and assumption agreement (the "Assignment and Assumption Agreement"); and

WHEREAS, the Company has submitted the Assignment Application in connection with a decision by the Company to modify the ownership structure of the Project Facility by conveying the Project Facility to the New Company, and then arranging with the New Company for the lease by the New Company of the Project Facility back to the Company pursuant to a sale/lease-back agreement; and

WHEREAS, pursuant to Section 9.1 of each of the Lease Agreements, the Company is prohibited from assigning the Lease Agreements, or selling, leasing, transferring or otherwise conveying any part of the Project Facility, without the prior written consent of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the request described in the Assignment Application (the "Assignment"); and

WHEREAS, pursuant to SEQRA, the Agency has examined the Assignment Application in order to make a determination as to whether the Assignment is subject to SEQRA, and, based on discussions with Agency Special Counsel, it appears that the Assignment constitutes a "Type II action" under SEQRA;

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

Section 1. Based upon an examination of the Assignment Application and discussions with Agency Special Counsel, the Agency hereby makes the following determinations:

(A) The Assignment constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(23) and (26), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Assignment.

(B) That since compliance by the Agency with the Assignment will not result in the Agency providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the New Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Assignment.

(C) That, following the execution and delivery of the Assignment and Assumption Agreement, the Company will continue to operate the Project Facility and that there will be no material change in the operations of the Project Facility.

Section 2. The Agency hereby approves the Assignment and consents to (A) the assignment to, and assumption by, the New Company of all of the Company's interest in the Project Facility and the Basic Documents, and (B) the assumption by the New Company of all obligations of the Company under the Basic Documents pursuant to the Assignment and Assumption Agreement; subject in each case, however to the following conditions: (1) receipt of confirmation from the Agency that all payments due under the Basic Documents have been paid; (2) receipt of confirmation from the Agency that all reporting requirements of the Basic Documents have been received; (3) receipt of confirmation that all real property taxes and payments in lieu of taxes required by the Project Facility have been satisfied; (4) receipt of confirmation from the Agency that no modifications shall result from the Assignment that result in any new tax relief for the Project Facility; (5) compliance with the terms and conditions contained in the Assignment and Assumption Agreement and the Basic Documents; (6) approval by Agency Special Counsel of the form of the documents to be executed by the Agency in connection with the Assignment, including the Assignment and Assumption Agreement and an estoppel (collectively, the "Assignment Documents"); (7) receipt by the Agency of its administrative fee relating to the Assignment and all fees and expenses incurred by the Agency with respect to the Assignment, including the fees and expenses incurred by Agency Special Counsel with respect thereto; (8) that no mortgage tax exemption shall be granted by the Agency in connection with the execution and delivery of the Assignment and Assumption Agreement; and (9) the following additional conditions: N/A.

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof; and (B) the execution and delivery of the Assignment Documents by the other parties thereto, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Assignment Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof approved by counsel to the Agency, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. 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 or provided for by the provisions of the Assignment Documents, and to execute and deliver all such additional 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 this Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Assignment Documents binding upon the Agency.

Section 5. This Resolution 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:

Gene Pierce	VOTING	Yes
Jerry Hiller	VOTING	Yes
Rita Gow	VOTING	Absent
Dr. Kim Williams	VOTING	Yes
Sirene Garcia	VOTING	Absent
William Holgate	VOTING	Absent
Jim Willson	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

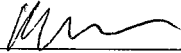
STATE OF NEW YORK)
) SS.:
COUNTY OF YATES)

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on April 17, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 17th day of April, 2019.



(Assistant) Secretary

(SEAL)