

October 26, 2021

Suffolk County Industrial Development Agency

WHEREAS, on March 24, 2021, Jimar Realty, LLC/Trophy Depot (the “Applicant”) made an application to the Suffolk County Industrial Development Agency (the “Agency”) to waive the recapture of Agency benefits, pursuant to Section 8.4, et seq. of the Lease Agreement, entered into between the applicant and the Agency which recapture provision was triggered by the applicant’s sale of its building.

WHEREAS, the applicant has entered a Lease and is currently occupying space in Suffolk County and seeks to continue its operations and intends to remain in Suffolk County through November 18, 2027.

WHEREAS, the applicant and the Agency entered into an Escrow Agreement (the “Escrow Agreement”) whereby the Agency Counsel, William D. Wexler, will hold in his escrow account the sum of \$671,781.58 pending the determination of the Board concerning whether the recapture event has occurred.

WHEREAS, on August 18, 2021 and September 24, 2021, the Board heard testimony from representatives of the applicant and William Camera, a Certified Public Accountant retained by the Agency and received written submissions from both the applicant’s representative and Mr. Camera, after due deliberation it is hereby resolved as follows:

The applicant shall receive the payments from the escrow account, less any sums expended by the Agency, including; transaction counsel fees; agency counsel fees; William Camera’s fees and the cost of stenographic transcripts of the hearings (the “Net Escrow Account”) as follows:

1. 33.3% of the net escrow account on or before the 6th anniversary of the Lease Agreement – November 18, 2021
2. 33.3% of the net escrow account upon the Agency receipt from the applicant of a duly executed Lease or Leases providing for the leasing by the applicant of commercial/industrial space for its manufacturing and distribution facilities in Suffolk County and having lease terms expiring no earlier than November 18, 2027
3. 33.3% of the net escrow account upon the applicant remaining continuously in the Suffolk County through the 12th anniversary of the commencement date – November 18, 2027

Payment from the escrow account shall be further conditioned upon the Applicant continuing to employ in Suffolk County the same number of full-time employees currently employed by applicant in Suffolk County which is 52. Additionally, the applicant shall be required to provide the Agency annual employment reporting information evidencing employment of at least 52 full-time and/or full-time equivalent employees in Suffolk County. Applicant’s failure to abide by the above may result in a default and relieve the Agency from making any of the aforementioned payments to the applicant.