

RESOLUTION NO. 2026-5-19-1

Adopted May 19, 2026

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING RESOLUTION
Regarding the Authorization of a Straight Lease Transaction
Approving The 20 Fields Lane Project

A meeting of the Putnam County Industrial Development Agency was convened on Tuesday, May 19, 2026 at which the following Resolution was duly offered, seconded and adopted, to wit:

WHEREAS, the Putnam County Industrial Development Agency (the "Agency") is authorized pursuant to the laws of the State of New York, and in particular pursuant to the provisions of the New York State Industrial Development Agency Act and the Agency's enabling legislation, respectively constituting Title I of Article 18-A and Section 925-1 of the General Municipal Law of the State of New York, as amended (the "Enabling Act"), authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish one or more projects for the purpose of promoting, developing, encouraging and assisting in the acquisition, construction, reconstruction, improvement, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, thereby advancing the job opportunities, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, KINSLEY GROUP INC. d/b/a Kinsley Power Systems for itself and on behalf of Ananat LLC a real estate holding company (collectively the "Company") has submitted an application dated March 25, 2026 to the Agency requesting the Agency's financial assistance with a certain project for the benefit of the Company (the "Application"), for a project consisting of the acquisition, construction, renovation, furnishing and equipping of a Facility located on an approximately 10.029+/- acre parcel of land at 20 Fields Lane, in the Town of Southeast, County of Putnam, State of New York, for a warehouse and office for lease to the Agency by the Company and for sublease by the Agency to the Company, and having an approximate total project cost of \$7,185,850 (the "Project"); and

WHEREAS, the Application sets forth certain information with respect to the Company including that Agency financial assistance is needed for the Company to move forward with the Project in Putnam County and New York State; and

WHEREAS, the Application provides that the Project will both create local construction jobs and up to 51 permanent jobs at the facility, approximately 51 of which will

be full time and approximately 0 of which shall be part-time and approximately 3 will be from the Labor Market Area; and

WHEREAS, the Company has represented that it is likely that the Project would not be undertaken but for the Financial Assistance provided by the Agency and that but for the requested Financial Assistance, the Project is not considered financially feasible as the Company would not be able to generate sufficient financial benefit to attract the necessary debt needed to move the Project forward and is essential to the economic viability of the Project and is a necessary component of the financial structure of the Project; and

WHEREAS, the Agency intends to authorize the undertaking of the Project and provide financial assistance to the Company through a Straight-Lease Transaction in the form of (i) exemptions from sales and use taxes otherwise payable upon the purchase or lease of materials, furnishings, fixtures and equipment, and other taxable personal property, (ii) exemptions from mortgage recording taxes to the extent permitted by applicable law in connection with the acquisition, financing, construction financing and/or permanent financing, or any subsequent refinancing, of the costs of the acquisition, renovation, construction, reconstruction, refurbishing and equipping of the Facility, and (iii) the implementation of a payment-in-lieu-of-tax-agreement (the "PILOT Agreement") with respect to the Facility in such a manner as the Agency may determine in order to accomplish the purposes of the Project (collectively, the "Financial Assistance") all pursuant to the Act and a Project Agreement, Lease Agreement, Leaseback Agreement, Payment in-lieu-of Tax Agreement (the "PILOT" Agreement), PILOT Mortgage, Agency Guaranty and Environmental Indemnity Agreement, each to be dated as of such date acceptable to the Chair of the Agency and related documents (collectively, the "Project Documents"); 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 referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, the Planning Board of the Town of Southeast (the "Planning Board"), as lead agency, has issued its determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617, that the Project is an Unlisted Action and that the Project will not have a significant effect on the environment and has adopted on August 25, 2025, a Negative Declaration (the "Negative Declaration") to such effect; and

WHEREAS, based on the Company's Application the Agency has made certain findings and determinations in its Inducement Resolution regarding the Project adopted on March 24, 2026, which by this reference are adopted and confirmed as though made on the date hereof; and

WHEREAS, on April 8, 2026 the Agency published in The Journal News (the publication of such notice on such date and in such newspaper being hereby ratified and approved) a notice of a public hearing for the Project to be held on April 22, 2026, at 11:00 a.m. which public hearing was duly held at the Town of Southeast Town Hall, 1912 Route 22, Brewster, New York 10509; and

WHEREAS the Agency did not receive any comments about the Project and considered such in making decisions regarding approving the Project; and

WHEREAS, the Agency has reviewed the Application in accordance with its Uniform Project Evaluation Criteria; and

WHEREAS, the Agency has notified the affected taxing jurisdictions of the proposed project as required by the Act and the Uniform Tax Exemption Policy;

NOW, THEREFORE, be it resolved by the members of the Putnam County Industrial Development Agency as follows:

Section 1. Qualification of the Project. The Agency hereby 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 Agency has the authority to take the actions contemplated herein and hereby accepts the Application; and

(c) the Project will result in capital investment in the County, create construction jobs and maintain existing jobs within Putnam County (the "County"), and advance the job opportunities, health, general prosperity, and economic welfare of the people of the County and improve their prosperity and standard of living and that, with respect to the Project, the Agency is carrying out the purposes for which it was created; and

(d) the Project constitutes a “project” within the meaning of the Act and the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a Straight-Lease Transaction will promote, is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project;

(e) the Project shall not result in the removal of any facility or plant of the Applicant

or any other occupant or user of the Project from outside of the County (but within the State of New York) to within the County or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Project located within the State of New York (but outside of the County); and

(f) to the extent the completion of the Project will result in the removal of an industrial, manufacturing, warehousing or commercial plant or facility of the Company from one area of the State to another area of the State or in the abandonment of one or more of the plants or facilities of the Company within the State, the financing and completion of the Project is reasonably necessary to discourage the Company from removing its operations at existing plants and facilities in the State to a location outside the State and is reasonably necessary to preserve the competitive position of the Company in its industry.

(g) the financing will induce the location or expansion of the Project in the area it will serve, and the economic feasibility of the Project will be seriously and substantially impaired without the availability of financing.

(h) no funds of the Agency shall be used in connection with the Project or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(i) not more than one-third of the total Project cost is with respect to facilities or property, primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. SEQRA. The Agency hereby finds and determines that this Resolution constitutes a determination of technical requirements within the meaning of Section 617.5(c)(28) of the DEC Regulations, and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for purposes of SEQRA or a commitment by the Agency to provide the financial assistance. For purposes of compliance with the State Environmental Quality Review Act (“SEQRA”), the Planning Board of the Town of Southeast (the “Planning Board”) has acted as lead agency for a review with respect to certain actions relating to the Project, and by various resolutions issued a Determination of No Negative Environmental Impact with respect to the Project. The Agency determines pursuant to SEQRA that based on the findings and actions of the Planning Board, the actions of the Agency in granting financial assistance will have no significant adverse environmental impacts or effects.

The Agency will work with the Company and its experts with respect to environmental matters at the Project Site, the approval of this resolution being subject to confirmation by the Company that it has obtained and is in compliance with all federal, State and local

environmental, health and safety permits, and the resolution of any environmental issues to the satisfaction of Agency Counsel by provision of additional reports, certificates and/or establishment of reserves or escrows concerning any environmental issues at the Project Site.

Section 3. Authorization. To accomplish the purposes of the Act and to provide financial assistance to the Company in connection with the Project, a Straight-Lease transaction for the Project is hereby authorized subject to the provisions of this Resolution and to the project agreements hereinafter authorized.

Section 4. Agency Assistance of Company. The Agency hereby approves financial assistance (“Financial Assistance”) in connection with the Project in the form of: (i) sales tax exemptions with respect to the cost of using or acquiring materials and equipment in the maximum amount of \$243,160.36 with respect to the \$2,901,675 cost of construction materials and equipment for the Project; (ii) payment-in-lieu-of-tax benefits in amounts to be determined pursuant to the Agency’s Uniform Tax Exemption Policy; and (iii) exemptions from mortgage recording tax with respect to an approximately \$5,748,680 mortgage(s) securing the financing for the Project (to the extent permitted by applicable law). The Agency shall appoint the Company as the Agency’s agent for purposes of acquiring, constructing, equipping and installing the Project.

Section 5. No Recourse or Personal Liability. No provision of this Resolution or any other related document or Project Document shall constitute or give rise to a charge upon the general credit of the Agency or impose upon the Agency a pecuniary liability. No recourse shall be had for the performance of any obligation in connection therewith against any member, representative, employee or agent of the Agency, nor is or shall any such person become personally liable for any such payment or performance.

Section 6. Project Documents Authorized. In connection with the Project, the execution and delivery of (i) a Company Lease between the Company and the Agency pursuant to which the Company will lease the Premises to the Agency, (ii) a Lease Agreement (the “Lease Agreement”) between the Agency and the Company pursuant to which the Agency will sublease the Premises and the Project personalty to the Company (for sublease by the Company to the Affiliate as applicable), (iii) a Payment in Lieu of Taxes Agreement (the “PILOT Agreement”) between the Agency and the Company with respect to the Project, (iv) a Sales Tax Exemption and Other Benefits Agreement (the “Sales Tax Exemption and Other Benefits Agreement”) between the Agency and the Company; (v) a PILOT Mortgage from the Agency and the Company to the County of Putnam, the Town of Southeast and the Brewster Central School District; (vi) an Agency Guaranty Agreement from the Company and the Affiliate, if applicable, in favor of the Agency, (vii) one or more mortgages of the Premises to the lender to the Company for the Project, and (viii) such additional agreements, amending agreements, papers, instruments, opinions, certificates, affidavits and other documents reasonable or necessary to carry out the purposes of this Resolution or the agreements referred to herein (the foregoing being referred to collectively as a “Project Documents”) are hereby

authorized. Any Authorized Representative (as hereinafter defined) is hereby authorized to execute, acknowledge and deliver each such Project Document, and to affix the seal of the Agency on each such Project Document, if required, and attest the same. The execution and delivery of each such Project Document by one of said Authorized Representatives in substantially the form used in similar straight-lease transactions, with such changes, insertions and omissions as may be approved by the Authorized Representative, shall be conclusive evidence of due authorization and approval.

Section 7. Recapture. Pursuant to the Agency’s Recapture Policy, attached hereto as Exhibit A (the “Recapture Policy”), the Agency hereby establishes the Material Factors for the Project. Upon the occurrence of any of the following conditions, the Agency may make demand upon the Company or the Affiliate in accordance with the relevant Project Documents for reimbursement of any category of Financial Assistance:

- (a) the Company fails to complete the Project by the date required in the Lease Agreement;
- (b) the Company has retained less than 51 equivalent full time jobs at the Project as of June 1, 2029, and failed to maintain at the Facility at least 56 full-time equivalent jobs for 10 years from the closing date;
- (c) the Company liquidates its operations or assets at the Facility (absent a showing of extreme hardship as determined by the Agency in its reasonable discretion);
- (d) the Company ceases all or substantially all of its operations at the Facility (whether by relocation to another facility, or otherwise, or whether to another location either within, or outside of the County);
- (e) the Company or the Affiliate transfers all or substantially all of its employees to a location outside of the County;
- (f) the Company or the Affiliate effects a substantial change in the scope and nature of the operations at the Project, as determined by the Agency in its reasonable discretion;
- (g) the Company or the Affiliate assigns or subleases all or any portion of the Facility in violation of the limitations imposed by the Lease Agreement, without the prior written consent of the Agency;
- (h) the Company or the Affiliate sells, leases, transfers or otherwise disposes of all or substantially all of its interest in the Project, except (i) in connection with a transfer or other disposition to any corporation or other entity into or with which the Company may be merged or consolidated or to any corporation or other entity which shall be an affiliate, subsidiary, parent or successor of the Company or the Affiliate or (ii) as permitted under the Lease Agreement;
- (i) an Event of Default under the Company Lease, the Lease Agreement, the PILOT Agreement, the PILOT Mortgage, the Sales Tax Exemption and Other Benefits Agreement, or any other Project Document shall occur;
- (j) the Company or the Affiliate violates the provisions of the Agency’s “Workforce Policy” adopted on December 30, 2021.

If any of the foregoing conditions occur during the term of the Company Lease, the Lease Agreement, the PILOT Agreement, the PILOT Mortgage, the Sales Tax Exemption and Other Benefits Agreement, or any other project Document, the Agency may take such actions, consistent with the Recapture Policy, as set forth in the PILOT Agreement, the Sales Tax Exemption and Other Benefits Agreement and the Agency Guaranty Agreement (the "Agreements") including reduction of financial assistance, termination of financial assistance and recapture of financial assistance ("Reimbursement Actions"). However, the Agency has the right, but not the obligation, to reduce or eliminate any of the Reimbursement Actions as set forth in the Agreements.

Section 8. Fees and Expenses of Agency. Any expense incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, representatives, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency with respect to the Project and the financing thereof. Within ten days following the adoption of this Resolution, the Company shall deliver to the Agency a certified or official bank check (or a federal funds wire transfer) in the amount of \$10,000.00, which amount shall be deposited by the Agency in a special account (the "20 Fields Lane Project Expense Account") separate and apart from all other funds of the Agency.

Amounts in the 20 Fields Lane Project Expense Account shall be applied by the Agency to pay expenses of the Agency relating to the Project, including fees and expenses of the Agency's outside counsel, Hogan, Rossi & Liguori, pursuant to a Retainer Agreement dated March 13, 2026. All interest on such deposit shall be credited to said account. If the balance in the Project Expense Account is depleted, the Agency may direct the Applicant to deliver additional funds to the Agency in increments of \$5,000.00 for deposit in said account, sufficient to cover anticipated costs of the Agency and the payments required pursuant to the Retainer Agreement, and the Applicant shall deliver such additional funds to the Agency within ten days following the Agency's direction. The Agency shall not be required to incur any costs in furtherance of the Project if the Apap Project Expense Account is not funded or replenished in accordance with this Section. If this Resolution expires in accordance with Section 1 hereof or the Project is otherwise abandoned or terminated, and there are remaining unpaid fees or expenses of the Agency relating to the Project, the Agency shall apply funds on deposit in the Apap Project Expense Account to meet such fees and expenses and, to the extent of any excess in such account, pay any balance to the Company.

Section 9. Open Meeting. All formal actions of the Agency concerning and relating to the adoption of this resolution were adopted in an open meeting of the Agency, and all formal deliberations of the Agency and of any of its hearings that resulted in such formal action were held in meetings open to the public, in compliance with all legal requirements.

Section 10. No Representations or Warranties. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Applicant's purposes or needs. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Applicant, by acceptance hereof, agrees to indemnify and hold the Agency and each member, representative, agent and employee thereof harmless from any such loss, damage or expense.

Section 11. Compliance With Laws. Any undertaking of the Agency set forth herein is expressly conditioned upon full compliance of the Company and the Project with all applicable laws, rules and regulations, and the Company shall be required to provide satisfactory evidence of the same to the Agency prior to the execution of any document in connection with the Project.

Section 12. Conditions. The undertakings of the Agency set forth herein are subject to and conditioned upon (a) full compliance with the SEQRA, (b) notice to applicable taxing authorities, (c) execution by the Company of a Payment in Lieu of Taxes Agreement and provision of satisfactory security for payments due thereunder, (d) execution by the Company of Agency documents to effectuate the Straight Lease Transactions and financial assistance in connection with the Project, and (e) provision of full indemnities by an entity in form and substance acceptable to the Agency.

Section 13. Effect of Resolution. In adopting this Resolution, notwithstanding any other provision hereof, the Agency assumes no responsibility for obtaining or assisting the Company in obtaining financing for the Project. This Resolution is not a contract between the Agency and the Company and it shall not be construed as such.

Section 14. Expiration Date. This Resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof, unless (a) extended by the Company with the consent of the Agency and by payment of the Agency's extension fee of \$750, or (b) the financing has been committed or closed. Any extension or renewal will be for an additional twelve (12) month period.

Section 14. Agency Authorized. 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 16. Effective Date. The resolution shall take effect immediately upon its passage.

May 19, 2026

MEETING DATE

MOTION TO APPROVE RESOLUTION No. _____

Motion: _____ ; Second: _____

Vote on Resolution:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
William Nulk	_____	_____	_____	_____
Edward Cooke	_____	_____	_____	_____
Joseph Downey	_____	_____	_____	_____
Michael Karlsson	_____	_____	_____	_____
Abigail O'Brien	_____	_____	_____	_____
Simon Carey	_____	_____	_____	_____
James Hartford	_____	_____	_____	_____

Result of Vote: Motion Passed

Attested: _____, Chairman
William H. Nulk

By accepting this Resolution Kinsley Group Inc. agree to the terms and conditions set forth herein.

Accepted: _____, 2026

KINSLEY GROUP INC.

By: _____

Name:

Title: