

Luxottica U.S. Holdings Corp. Approving Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the Theodore Roosevelt Executive & Legislative Building, Ceremonial Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York on December 12, 2018 at 6:30 p.m., local time.

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

PRESENT:

Richard Kessel	Chairman
Lewis M. Warren	Vice Chairman
Anthony Simon	2nd Vice Chairman
Timothy Williams	Secretary
Amy Flores	Treasurer
John Coumatos	Asst. Treasurer

NOT PRESENT:

Chris Fusco Asst. Secretary

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Thomas Glascock	General Counsel
Andrew Komaromi.	Bond/Transaction Counsel

The attached resolution no. 2018-87 was offered by Timothy Williams, seconded by Richard Kessel:

Resolution No. 2018-87

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND APPROVING
THE ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT
FOR LUXOTTICA U.S. HOLDINGS CORP.

WHEREAS, the Nassau 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 674 of the 1975 Laws of New York, as amended, constituting Section 922 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, industrial and commercial 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, LUXOTTICA U.S. HOLDINGS CORP. a corporation organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Company" or the "Applicant") previously presented an application for financial assistance (the "2012 Application") requesting that the Agency undertake a project (the "2012 Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an approximately 30,065 square foot portion (the "2012 Premises") of an approximately 122,715 square foot building (the "Building") on a certain parcel of land located at 12 Harbor Park Drive, Port Washington, Town of North Hempstead, County of Nassau, New York (Section: 6; Block: 058; Lot: 103) (the "Land"), (2) the renovation of the 2012 Premises, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "2012 Equipment"), all of the foregoing for use by the Company and its affiliates as their East Coast headquarters (the 2012 Premises and the 2012 Equipment being referred to herein, collectively, as the "2012 Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes and sales and use taxes (the "2012 Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the 2012 Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company is the tenant under an agreement of lease (as amended through the Closing Date, the "Overlease") dated July 11, 2011 between 4 B's Realty V Harbor Drive, LLC, as landlord (in such capacity, the "Overlandlord"), and the Company, as tenant, a

memorandum of which has been recorded in the Nassau County Clerk's Office and pursuant to which the Company leases the 2012 Premises from the Overlandlord; and

WHEREAS, the Company has presented an application for additional financial assistance (the "Application") requesting that the Agency undertake a project (the "2018 Project" and together with the 2012 Project, collectively, the "Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an additional approximately 9,000 square foot portion (the "2018 Premises" and together with the 2012 Premises, collectively, the "Premises") of the Building on the Land, (2) the renovation of the 2018 Premises, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "2018 Equipment" and together with the 2012 Equipment, collectively, the "Equipment"), all of the foregoing for use by the Company and its affiliates as additional space for their East Coast headquarters (the 2018 Premises and the 2018 Equipment are, collectively, the "2018 Project Facility"; the Premises and the Equipment [which include the 2012 Project Facility and the 2018 Project Facility] are, collectively, the "Project Facility"); (B) the granting of certain additional "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the 2018 Project Facility, including potential exemptions or partial exemptions from real property taxes and sales and use taxes (the "2018 Financial Assistance" and together with the 2012 Financial Assistance, collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the 2018 Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, in accordance with Section 859-a of the Act, any approval of the 2018 Project is contingent upon, among other things, a determination by the members of the Agency to proceed with the 2018 Project following a determination by the Agency that (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the 2018 Project have been satisfied, and (B) the undertaking of the 2018 Project by the Agency and the granting of the 2018 Financial Assistance are and will be in compliance with all other applicable requirements of the Act, SEQRA (as hereinafter defined), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project (collectively, the "Applicable Laws"); and

WHEREAS, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency pursuant Section 859-a of the Act (the "Public Hearing") to hear all persons interested in the 2018 Project and the 2018 Financial Assistance contemplated by the Agency with respect to the 2018 Project, to be mailed on November 23, 2018 to the chief executive officer of Nassau County, New York and of each other affected tax jurisdiction within which the 2018 Project Facility is or is to be located; (B) caused notice of the Public Hearing to be published on November 23, 2018 in the Nassau edition of Newsday, a newspaper of general circulation available to residents of the Town of North Hempstead and the County of Nassau, New York; (C) conducted the Public Hearing on December 10, 2018 at 12:00 p.m., local time, at Town Hall, 220 Plandome Road, Manhasset, Town of North Hempstead, Nassau County, New York; and (D) prepared a report of the Public Hearing (the "Report") which fairly summarizes the views presented at the Public Hearing and distributed the Report to the members of the Agency; and

WHEREAS, in accordance with Section 874(4) of the Act, the Executive Director of the Agency (A) caused notice of a meeting of the Agency (the "IDA Meeting") with respect to the proposed deviation from the Agency's uniform tax exemption policy and guidelines to be mailed on November 23, 2018 to the chief executive officer of each affected tax jurisdiction; and (B) conducted the IDA Meeting on December 12, 2018 and reviewed any written comments or correspondence received from the affected tax jurisdictions before the IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy and approved the proposed deviation; 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 (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the appropriate personnel of the Agency reviewed the environmental assessment form and other materials submitted by the Company and made any necessary comments to members of the Agency, and by resolution of the members of the Agency adopted on December 12, 2018, the Agency decided to undertake an uncoordinated review of the 2018 Project and determined that the 2018 Project is an Unlisted action under SEQRA and that the 2018 Project will not have a significant effect on the environment; and

WHEREAS, the Agency now desires to make its determination to proceed with the 2018 Project and to grant the 2018 Financial Assistance, subject to the terms hereof; and

WHEREAS, the Company will execute and deliver: (A) a certain assignment agreement, dated the Closing Date between the Company and the Agency, which conveys to the Agency all right, title and interest of the Company in and to the Overlease (the "Conveyance Instrument"), (B) a certain amended and restated Bill of Sale (the "Bill of Sale to Agency") to the Agency, pursuant to which the Company will convey to the Agency its interest in the Equipment, (C) a Lease Agreement or Sublease Agreement, or amendment of such agreement heretofore executed and delivered in connection with the Project, (the "Lease") between the Agency and the Company, pursuant to which the Agency will grant to the Company a leasehold interest in the Project Facility, (D) a certain Environmental Compliance and Indemnification Agreement, or amendment of such agreement heretofore executed and delivered in connection with the Project, (the "Environmental Indemnification") pursuant to which the Agency will be indemnified from and against certain losses, costs, damages and liabilities, (E) a certain Payment in Lieu of Taxes Agreement, or amendment of such agreement heretofore executed and delivered in connection with the Project, (the "PILOT Agreement") to the Agency, and, to secure the obligations thereunder, a certain Mortgage and Assignment of Leases and Rents or amendment thereof in favor of the County of Nassau, New York (the "PILOT Mortgage"), and (F) or cause to be executed and delivered certain other certificates, documents, instruments and agreements related to the Project (together with the Conveyance Instrument, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the PILOT Agreement and the PILOT Mortgage, collectively, the "Transaction Documents"); and

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

Section 1. The Agency has reviewed the Application and the Report and, based upon the representations made by the Applicant to the Agency and the facts and information obtained by the Staff of the Agency and reported to and reviewed by the members of the Agency at this meeting (including, without limitation, the facts and information set forth in the Staff Review of the Application), the Agency has reviewed and assessed all material information necessary to afford a reasonable basis for the Agency to make a determination to approve the 2018 Financial Assistance. In addition, the Agency makes the following findings and determinations with respect to the 2018 Project:

- (a) based on the proposed use of the 2018 Project Facility as set forth in the Application, the economic effects of the 2018 Project on the area in which it is situated including the prevention of economic deterioration, the job opportunities to be created and/or maintained by the 2018 Project, the 2018 Project will constitute a commercial facility and, therefore, the 2018 Project constitutes a “project” within the meaning of the Act;
- (b) the granting of the 2018 Financial Assistance by the Agency to the Applicant is necessary to induce the Applicant to proceed with the 2018 Project;
- (c) there is a likelihood that the 2018 Project would not be undertaken but for the granting of the 2018 Financial Assistance by the Agency to the Applicant;
- (d) the completion of the 2018 Project Facility by the Applicant as agent of the Agency, the lease thereof by the Agency to the Applicant and the operation thereof by the Applicant will not result in the removal of a facility or plant of the Applicant or any other proposed user, occupant or tenant of the 2018 Project Facility from one area of the State of New York (the “State”) to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other proposed user, occupant or tenant of the 2018 Project Facility located within the State (but outside of Nassau County). Therefore, the provisions of subdivision (1) of Section 862 of the Act are not and will not be violated as a result of the granting of the Financial Assistance by the Agency to the Applicant;
- (e) the 2018 Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State;
- (f) no funds of the Agency shall be used in connection with the 2018 Project for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given in connection with the 2018 Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State, nor shall any funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media;

(g) the granting of the 2018 Financial Assistance by the Agency with respect to the 2018 Project will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York and the State, will improve their standard of living, and will prevent unemployment and economic deterioration, and thereby serves the public purposes of the Act;

(h) the 2018 Project Facility does not and will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the 2018 Project. For purposes of this finding, retail sales shall mean: (i) sales by a registered vendor under Article 28 of the New York Tax Law primarily engaged in the retail sale of tangible personal property, as defined in subparagraph (i) of paragraph four of subdivision (b) of section 1101 of the New York Tax Law; or (ii) sales of a service to such customers; and

(i) the 2018 Project will not result in the removal or abandonment of a plant or facility of the Applicant, or of a proposed user, occupant or tenant of the 2018 Project Facility, currently located within Nassau County;

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the Executive Director and the staff of the Agency with respect to the Application, the IDA Meeting and the Public Hearing, including, without limitation, (a) those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the 2018 Project, and (b) the appointment of the law firm of Harris Beach PLLC, Uniondale, New York, as Special Counsel to the Agency with respect to all matters in connection with the 2018 Project.

Section 3. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the 2018 Project.

Section 4. Having considered fully all comments received at the Public Hearing or otherwise in connection with the 2018 Project, the Agency hereby further determines to proceed with the 2018 Project and the granting of the 2018 Financial Assistance.

Section 5. The Agency hereby approves the Applicant as the lessee/sublessee under the Lease with the Agency and hereby approves the Applicant as the recipient of the 2018 Financial Assistance.

Section 6. The Agency is hereby authorized to (a) acquire an interest in the Project Facility pursuant to the Conveyance Instrument, the Bill of Sale to Agency and the other Transaction Documents, (b) grant a leasehold interest in the Project Facility pursuant to the Lease and the other Transaction Documents, (c) grant the aforementioned 2018 Financial Assistance, (d) execute the PILOT Mortgage for the sole purpose of encumbering its interest in the Project Facility or accept such other collateral as the Executive Director shall determine to secure the performance by the Applicant of its obligations under the PILOT Agreement, (e) execute one (1) or more fee and leasehold mortgage, assignment of rents and leases, and security agreements in favor of such bank, governmental agency or financial institution as the Applicant may determine (such bank, governmental agency or financial institution, the "Bank"), encumbering the Project Facility, solely

to subject to the lien thereof its interest in the Project Facility, all to secure one (1) or more loans made by such Bank to the Applicant with respect to the Project Facility, and (f) do all things necessary, convenient or appropriate for the accomplishment thereof. All acts heretofore taken by the Agency with respect to the foregoing are hereby approved, ratified and confirmed.

Section 7. The form and substance of the Conveyance Instrument, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the PILOT Agreement, the PILOT Mortgage and the other Transaction Documents, in the forms used by the Agency with respect to prior projects, together with such changes as the Chairman, the Vice Chairman or the Executive Director may hereafter deem necessary or appropriate, are hereby approved. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director are hereby authorized, on behalf of the Agency, acting together or individually, to execute and deliver the Conveyance Instrument, the Lease, the PILOT Agreement, the PILOT Mortgage, the other Transaction Documents, and any document with or in favor of the Bank to which the Agency is a party, 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. The execution and delivery of each such agreement, approval and consent by such person(s) shall be conclusive evidence of such approval.

Section 8. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director of the Agency are hereby further authorized, on behalf of the Agency, acting together or individually, to designate any additional Authorized Representatives (as defined in the Lease) of the Agency.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed, acting individually or jointly, 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 Transaction Documents, to execute and deliver all such additional certificates, instruments, agreements 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, convenient or appropriate to effect the purposes of this Resolution and to cause compliance with all of the terms, covenants and provisions of the Transaction Documents to which the Agency is a party or which are binding on the Agency.

Section 10. The Agency recognizes that due to the complexities of the proposed transaction it may become necessary that certain of the terms approved hereby may require modifications from time to time which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman and Executive Director of the Agency, acting individually or jointly, to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the certificate of determination of an Agency officer or the execution and delivery by some or all such Agency officers of relevant documents containing such modified terms.

Section 11. The members of the Agency acknowledge the terms and conditions of Section 875(3) of the Act and the duties and obligations of the Agency thereunder with respect to granting of State Sales and Use Taxes (as such term is defined in Section 875 of the Act) with respect to the 2018 Project. The members hereby direct the officers of the Agency to comply with such terms and conditions with respect to the 2018 Project and hereby direct Special Counsel to the Agency to include such terms and conditions in all relevant Transaction Documents.

Section 12. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 13. This Resolution shall take effect immediately and shall be effective for ninety (90) days from the date of its adoption.

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

Richard Kessel	VOTING Yea
Lewis M. Warren	VOTING Abstained
Anthony Simon	VOTING Yea
Timothy Williams	VOTING Yea
Chris Fusco	NOT PRESENT
Amy Flores	VOTING Nay
John Coumatos	VOTING Yea

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

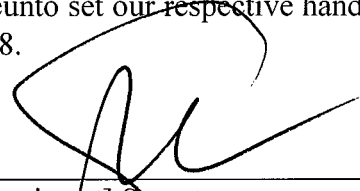
COUNTY OF NASSAU

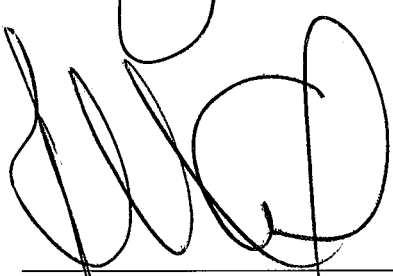
We, the undersigned [Vice] Chairman and [Assistant] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on December 12, 2018 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE 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.

WE 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, we have hereunto set our respective hands and affixed the seal of the Agency this 12th day of December, 2018.



[Assistant] Secretary

[Vice] Chairman

(SEAL)