

# **Economic Development Corporation**

40 Nassau Ave, Islip, New York Office - 631-224-5512/Fax – 631-224-5532 www.IslipIDA.com APPLICATION FOR FINANCIAL ASSISTANCE

DATE:	_
APPLICATION OF:	Name of Owner and/or User of Proposed Project
ADDRESS:	

#### **INDEX**

PART I OWNER AND USER DATA

PART II OPERATION AT CURRENT LOCATION

PART III PROJECT DATA

PART IV PROJECT COSTS AND FINANCING

PART V EMPLOYMENT DATA

PART VI REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

PART VII SUBMISSION OF MATERIALS

PART VIII CERTIFICATION

SCHEDULE A Corporation Fee Schedule SCHEDULE B Construction Wage Policy

SCHEDULE C Recapture and Termination Policy

## Part I: Owner & User Data

## 1. Owner Data:

A. Owner (Applicant for assistance	e):
Address:	
Federal Employer ID #:	Website:
NAICS Code:	
Owner Officer Certifying Applic	ication:
Title of Officer:	
Phone Number:	E-mail:
B. Business Type:	
Sole Proprietorship	Partnership □ Privately Held □
Public Corporation □	Listed on
State of Incorporation/Forma	ation:
C. Nature of Business:  (e.g., "manufacturer of holding company")	for industry"; "distributor of"; or "real esta
D. Owner Counsel:	
Firm Name:	
Address:	
Individual Attorney:	
•	 E-mail:

E.	Principal Stockholders, Members or Partners, if	y, of the Owner (5% or more equity):		
	Name	Percent Owned		
F.		, <u>,</u>		
	ii. been convicted of a felony, or misdem vehicle violation)? (if yes, please exp	neanor, or criminal offense (other than a motor lain)		
G.	If any of the above persons (see "E", above) or a in the Owner, list all other organizations which persons having more than a 50% interest in such	are related to the Owner by virtue of such		
H.	Is the Owner related to any other organization by so, indicate name of related organization and related			
I.	List parent corporation, sister corporations and s	ubsidiaries:		

J.	Has the Owner (or any related corporation or person) been involved in or benefited by any prior Economic Development financing in the municipality in which this project is located whether by this Corporation or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:						
K.	List major bank references of the Owner:						
and the us	applicants for assistance or where a	"Applicant"):					
	Federal Employer ID #:						
	NAICS Code:						
	User Officer Certifying Applicatio  Title of Officer:	n:		_			
	Phone Number:		E-mail:				
В.	Business Type:						
	• •	Partnership	Privately Held				
	Public Corporation □	-					
	State of Incorporation/Formation						
C.	Nature of Business:						

D.	Are the U	Iser and the Owner Related Entities?	Yes □	No □
	i.	If yes, the remainder of the questions of "F" below) need not be answered		
	ii.	If no, please complete all questions b	elow.	
E.	User's Co	ounsel:		
	Firm 1	Name:		
	Addre	ess:		
	Indivi	dual Attorney:		
	Phone	e Number:	E-ma	il:
F.	Principal	Stockholders or Partners, if any (5% or	r more equity)	:
		Name	Perce	nt Owned
G.		Jser, or any subsidiary or affiliate of to other entity with which any of these is ever filed for bankruptcy, been adjugotherwise been or presently is the sub (if yes, please explain)	individuals is dicated bankr	or has been associated with: upt or placed in receivership or
	ii.	been convicted of a felony or cri violation)? (if yes, please explain)	minal offense	e (other than a motor vehicle

	H.	If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.
	I.	Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:
	J.	List parent corporation, sister corporations and subsidiaries:
	K.	Has the User (or any related corporation or person) been involved in or benefited by any prior economic development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:
	L.	List major bank references of the User:
**(if ti	he C	Part II – Operation at Current Location Owner and the User are unrelated entities, answer separately for each)**
1.	Cu	rrent Location Address:
2.	Ov	vned or Leased:
3.	De etc	scribe your present location (acreage, square footage, number buildings, number of floors, .):

4.	Type of operation, i.e. goods and/or services provided:
5.	Are other facilities or related companies of the Applicant located within the State?  Yes □ No □
	A. If yes, list the Address:
6.	If yes to above ("5"), will the completion of the project result in the removal of such facility or facilities from one area of the state to another OR in the abandonment of such facility or facilities located within the State? Yes $\Box$ No $\Box$
	A. If no, explain how current facilities will be utilized:
	B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:
7.	Has the Applicant actively considered sites in another state? Yes □ No □
	A. If yes, please list states considered and explain:
8.	Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes □ No □  A. Please explain:
9.	Number of full-time employees at current location and average salary:

## Part III - Project Data

1. <u>L</u>	ocation of pr	oject:							
A	. Street Add	lress:							
В	. Tax Map:	District	Section	Block	Lot	(s)			
C	. Municipal	Jurisdiction	:						
	i. ii. iii.	Village:	rict:						
D	. Acreage: _								
2. <u>Pr</u>	roject Comp	onents (chec	k all appropriate	categories):					
A.	Constructi	on of a new Square foot	building age:		Yes		No		
В.	Renovatio i.		ting building age:			Yes		No	
C.	Demolitio i.	n of an existi Square foot	ing building age:						
D.	Land to be i.		listurbed age/acreage:						
E.	Constructi i. ii.	Square foot	on to an existing age of addition: e footage upon c						
F.	Acquisitio i.		ing building age of existing b						
G.	Installatio		ery and/or Equip al items or categ		ment to	Yes o be acc		No	
3. <u>C</u> 1	urrent Use a	t Proposed L	ocation:						
A	. Does the A	Applicant cui	rently hold fee to	itle to the prop	posed l	ocation	?		
	i.	If no, please	e list the present	owner of the	site:				
В	. Present us	e of the prop	osed location:						

	C.	Is the proposed location currently subject to an EDC transaction (whether through this Agency or another?) □ Yes □ No
		i. If yes, explain:
	D.	Is there a purchase contract for the site? (if yes, explain): $\Box$ Yes $\Box$ No
	E.	Is there an existing or proposed lease for the site? (if yes, explain): ☐ Yes ☐ No
4.	Pro	pposed Use:
	A.	Describe the specific operations of the Applicant or other users to be conducted at the project site:
	B.	Proposed product lines or services provided and market demands:
	C.	If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:
	D.	Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):
	E.	Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes $\square$ No $\square$

		i.	If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location?
5.	Pro	ject Work	
	A.	Has const	ruction work on this project begun? If yes, complete the following:
		i.	Site Clearance: Yes □ No □ % COMPLETE
		ii.	Foundation: Yes $\square$ No $\square$ % COMPLETE
		iii.	Footings: Yes $\square$ No $\square$ % COMPLETE
		iv.	Steel: Yes \( \square\) No \( \square\) % COMPLETE
		v.	Masonry: Yes □ No □ % COMPLETE
		vi.	Other:
	B.	What is th	e current zoning?:
	C.	Will the p	roject meet zoning requirements at the proposed location?
			Yes □ No □
			100
	D.	If a chang	e of zoning is required, please provide the details/status of the change of zone
		_	
			<del></del>
	E.	Have site	plans been submitted to the appropriate planning department? Yes \( \Bar{\cup} \) No \( \Bar{\cup} \)
6.	<u>Pro</u>	ject Comp	letion Schedule:
	A.	What is th	e proposed commencement date for the acquisition and the
		constructi	on/renovation/equipping of the project?
		i.	Acquisition:
		ii.	Construction/Renovation/Equipping:
	ъ	D	
	В.		accurate estimate of the time schedule to complete the project and when the first project is expected to occur:
		ase of the	project to expected to occur.

## Part IV - Project Costs and Financing

### 1. Project Costs:

A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>		<u>Amount</u>		
Land and/or building acquisition	\$			
Building(s) demolition/construction	\$			
Building renovation	\$			
Site Work	\$			
Machinery and Equipment	\$			
Legal Fees	\$			
Architectural/Engineering Fees	\$			
Financial Charges	\$			
Other (Specify)	\$			
Total Project Cost	\$			
Method of Financing:				
-		Amount	Term	
<ul><li>A. Tax-exempt bond financing:</li><li>B. Taxable bond financing:</li></ul>		\$ \$		
C. Conventional Mortgage:		\$		-
D. SBA (504) or other governmental finance	cing:	\$		=
E. Public Sources (include sum of all	_			
State and federal grants and tax credit	ts):	\$		
<ul><li>F. Other loans:</li><li>G. Owner/User equity contribution:</li></ul>		\$ \$		
G. Owner/Oser equity contribution.		Ψ		_ years
Total		\$		
i. What percentage of the proje	ect costs	will be financed f	From public se	ctor sou

Project Financing:						
A. Have any of the above costs been paid or incurred (including contracts of sale or purchas orders) as of the date of this application? Yes □ No □	ie					
i. If yes, provide detail on a separate sheet.						
B. Are costs of working capital, moving expenses, work in progress, or stock in trade including the proposed uses of bond proceeds? Give details:	led					
C. Will any of the funds borrowed through the Economic Development Corporation be used repay or refinance an existing mortgage or outstanding loan? Give details:	l to					
D. Has the Applicant made any arrangements for the marketing or the purchase of the bobonds? If so, indicate with whom:						
Part V – Employment Data						
1. List the Applicant's and each users present employment, and estimates of (i) employment at proposed project location at the end of year one and year two following project completion a (ii) the number of residents of the Labor Market Area* ("LMA") that would fill the full-time part-time jobs at the end of year second year following completion:	ınd					
<u>Present</u> <u>First Year</u> <u>Second Year</u> <u>Residents of LMA</u>						
Full-Time          Part-Time**						
* The Labor Market Area includes the County/City/Town/Village in which the project is located as Nassau and Suffolk Counties.	well					

<sup>\*\*</sup> Economic Development Corporation staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners		
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		
		right to visit the facility to confirm that
ation numbers are bein	g met.	
Part V	<u> I – Representations, Certificatio</u>	ns and Indemnification
* *	any litigation, which would have ? (if yes, furnish details on a separa	a material adverse effect on the Applicanate sheet)
Yes □	No □	
ANTICIPATED UNITH WHICH SOLATION OF RESPECT TO	JSERS OR ANY OF THEIR AFI UCH MANAGEMENT HAS BEI FEDERAL, STATE OR LOC LABOR PRACTICES, HAZAR OTHER OPERATING PRACTIC	IAGEMENT OF THE APPLICANT, T FILIATES, OR ANY OTHER CONCE EN CONNECTED, BEEN CITED FOR AL LAWS OR REGULATIONS WI RDOUS WASTES, ENVIRONMENT ES? (IF YES, FURNISH DETAILS ON
Yes □	No □	
Development Corp		ceed with this project without the Econor e explain why; if no, please explain why benefits requested)
Yes □	No □	

Corporation for the project, what would be the impact on the Applicant and on the municipality?

financial assistance for the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.  Initial		
6. The Applicant confirms and acknowledges that the submission of any knowingly false of knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Corporation's involvement in the Project.  Initial	5.	financial assistance for the proposed project is in substantial compliance with applicable local,
knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Corporation's involvement in the Project.  Initial		Initial
7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.  Initial	6.	knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed
affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.  Initial		Initial
3. The Applicant confirms and hereby acknowledges it has received the Economic Development Corporation fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Corporation, its members, directors, employees and agents and hold the Corporation 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 Corporation in good faith with respect to the project.  Initial	7.	affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise
Corporation fee schedule attached hereto as <u>Schedule A</u> and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Corporation, its members, directors, employees and agents and hold the Corporation 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 Corporation in good faith with respect to the project.  Initial  The Applicant confirms and hereby acknowledges it has received the Corporation [Construction Wage] Policy attached hereto as <u>Schedule B</u> and agrees to comply with the same.		Initial
9. The Applicant confirms and hereby acknowledges it has received the Corporation [Construction Wage] Policy attached hereto as <u>Schedule B</u> and agrees to comply with the same.	8.	Corporation fee schedule attached hereto as <u>Schedule A</u> and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Corporation, its members, directors, employees and agents and hold the Corporation 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 Corporation in good faith with respect to the
Wage] Policy attached hereto as <u>Schedule B</u> and agrees to comply with the same.		Initial
Initial	9.	
		Initial

#### **Part VII – Submission of Materials**

- 1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
- 2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
- 3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
- 4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
- 5. Completed Long Environmental Assessment Form.
- 6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

## Part VIII - Certification

(name of representative of company submitting application) deposes and ays that he or she is the (title) of, the corporation company name) named in the attached application; that he or she has read the foregoing application and nows the contents thereof; and that the same is true to his or her knowledge.
reponent further says that s/he is duly authorized to make this certification on behalf of the entity named the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief elative to all matters in said Application which are not stated upon his/her personal knowledge are evestigations which deponent has caused to be made concerning the subject matter this Application, as rell as in formation acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.
s representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is esponsible for all costs incurred by the [] Economic Development Corporation (hereinafter eferred to as the "Corporation") in connection with this Application, the attendant negotiations and all latters relating to the provision of financial assistance to which this Application relates, whether or not wer carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or ensummate necessary negotiations or fails to act within a reasonable or specified period of time to take easonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon resentation of invoice, Applicant shall pay to the Corporation, its agents or assigns, all actual costs accurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Corporation and fees of general counsel for the Corporation. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Corporation and diministrative fee set by the Corporation in accordance with its fee schedule in effect on the date of the pregoing application, and all other appropriate fees, which amounts are payable at closing.
Representative of Applicant
worn to me before this
ay of, 20
(Seal)

#### **SCHEDULE A**

## **Economic Development Corporation Fee Schedule**

#### 1. Application Fee—\$1,000.00

An application for EDC assistance must be accompanied by a non-refundable fee of \$1,000 plus a \$500 fee for the Town of Islip review of Environmental Assessment Form as required by the State Environmental Quality Review Act (SEQRA). (The \$500 fee will be waived if the applicant's project has already undergone a SEQRA review during a previous process, i.e. site plan, building permit, change of zone, etc.)

#### 2. Corporation Fee-.006 (for low-cost projects, there will be a minimum fee of \$5,000)

Upon closing of any EDC project, the Corporation will assess an administrative fee of sixty basis points (.006) against the size of the project. For IDB projects, the .006 will be measured against the final bond amount.

#### 3. Corporation Counsel-\$250 per hour

The Town of Islip Town Attorney's Office acts as counsel to the Town of Islip EDC and must be reimbursed for time spent on EDC-related transactions. The Corporation counsel bills all time spend on EDC matters at \$250 per hour. For EDC closings up to \$5 million, the Economic Development Corporation counsel bills a minimum of \$3,500. For projects greater than \$5 million, the Corporation counsel bills a minimum of \$5,000. For all other activities, i.e. terminations, simple consents and waivers, transfer of assets, etc., the Corporation counsel will bill at the aforementioned \$250 per hour.

#### 4. Processing Fee—\$500

During the course of EDC ownership/involvement, the Corporation may occasionally be required, by the company, to consent to a variety of items, i.e. pre-payment of bonds, second mortgages, additional secured financing, etc. The Corporation will charge a \$500 processing fee for each of these requests.

#### 5. Assignments & Assumptions—\$1,500

Occasionally, the EDC is asked to transfer benefits that were assigned to the original company, i.e. PILOT or mortgage recording tax benefits, to a different company, typically upon a sale of the EDC property. The new company often wishes to continue EDC involvement with the property in order to retain the EDC incentives. The Corporation will charge a \$1,500 fee for each of these transactions.

#### 7. Annual Administrative Fee—\$1,000

An Annual Administrative Fee of \$1,000 will be charged to all projects to cover the cost of all the reporting and monitoring of the transaction. This fee is subject to periodic review and may be adjusted at the discretion of the Corporation.

#### 8. Bond/Transaction Counsel—fee negotiated separately

While the Town of Islip EDC is represented locally by the Town of Islip Town Attorney's Office, a separate Bond/Transaction Counsel is also necessary on any EDC project. Bond/Transaction counsels

render "third party" opinions that the bond or straight lease transaction is authorized under all federal,
state and local statutes. Bond/Transaction counsel also prepares all documents related to EDC
transactions and coordinates all activities leading up to closing. The Town of Islip EDC has designed the
firm of Nixon Peabody, LLP as its Bond/Transaction counsel and all fees are separately negotiated with
them.

I have read and understand	the aforemention	ned explanation	of the fees	associated	with all th	ne Town o	of
Islip Economic Developme	ent Corporation T	Transaction.					

Signature:			

#### **SCHEDULE B**

#### **Corporation's Construction Wage Policy**

#### CONSTRUCTION WAGE POLICY

Town of Islip Economic Development Corporation

The purpose of the Town of Islip Economic Development Corporation is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in Islip.

The Corporation has consistently sought to ensure that skilled and fair paying construction jobs for local residents are encouraged in projects receiving financial assistance from the Corporation and that local vendors be used during the construction process.

It is the intent of the Corporation that the economic activity created by corporation assisted projects during the construction process primarily benefits local residents and vendors.

- I. The following shall be the policy of the Town of Islip Economic Development Corporation for all applicants for financial assistance:
- II.
- (A) Employ 90% of the construction workers for the project from within Nassau or Suffolk Counties.
- (B) Purchase 90% of the building materials from within the bi-County region.

In the event that any of these conditions cannot be met, the applicant shall submit to the Corporation an explanation as to the reasons for its failure or inability to comply with such conditions. Furthermore, this policy may be waived, in the sole and final discretion of the Corporation, in the event that the applicant demonstrates to the Corporation special circumstances or economic hardship to justify a waiver to be in furtherance of the purposes and goals of the Town of Islip Economic Development Corporation.

#### SCHEDULE C

# Economic Development Corporation Recapture and Termination Policy TOWN OF ISLIP EFFECTIVE JUNE 7, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the "Act"), the Town of Islip Economic Development Corporation (the "Corporation") is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Corporation to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Corporation to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Corporation on June 7, 2016.

#### I. <u>Termination or Suspension of Financial Assistance</u>

The Corporation, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Corporation and a project applicant (the "Applicant") or any other document entered into by such parties in connection with a project (the "Project Documents"). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Corporation, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term "**Financial Assistance**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Corporation's participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Corporation on the Facility at the request of the Applicant;
- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

#### II. Recapture of Financial Assistance

The Corporation, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Corporation, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Corporation may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.