

## **Resolution Addressing Governance Matters**

A regular meeting of the Board of Directors of the Nassau County Local Economic Assistance Corporation (the "Corporation") was convened in public session at the offices of the Corporation located at 1550 Franklin Avenue, Mineola, County of Nassau, New York, on June 28, 2012, at 5:20 p.m., local time.

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

**PRESENT:**

Jeffrey L. Seltzer	Chairman
Bruce Ungar	Treasurer, Vice Chairman
Gary Weiss	Secretary

**ABSENT:**

Christopher Fusco	Assistant Secretary
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**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

Joseph J. Kearney	Chief Executive Officer
Joseph Foarile	Chief Financial Officer
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel
Milan Tyler, Esq.	Bond/Transaction Counsel

The attached resolution no. 2012-09 was offered by G. Weiss, seconded by B. Ungar:

Resolution No. 2012--09

RESOLUTION OF THE NASSAU COUNTY LOCAL ECONOMIC ASSISTANCE CORPORATION ADDRESSING GOVERNANCE MATTERS

WHEREAS, on September 20, 2010, the Nassau County Legislature adopted a resolution (i) authorizing the formation of the Nassau County Local Economic Assistance Corporation (the "Corporation") as a local development corporation pursuant to Section 1411 of the New York Not-for-Profit Corporation Law, (ii) approving the Corporation's Certificate of Incorporation and authorizing its filing with the Office of the Secretary of State of the State of New York, and (iii) designating the initial Board of Directors of the Corporation; and

WHEREAS, the County of Nassau (the "County") has caused the Certificate of Incorporation to be filed with the Office of the Secretary of State of the State of New York and the Corporation has been duly incorporated; and

WHEREAS, the Corporation wishes to amend and restate its Transactions Process Guidelines Memo to ensure continued compliance with current best practices in governance and applicable law, including, without limitation, the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009;

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF THE NASSAU COUNTY LOCAL ECONOMIC ASSISTANCE CORPORATION AS FOLLOWS:

Section 1. The Corporation hereby adopts the Transaction Process Guidelines Memo dated the date hereof and annexed hereto as Exhibit A (the "Transaction Memo"). The Transaction Memo hereby replaces any and all applications, policies, practices and procedures heretofore adopted by the Corporation with respect to the subject matter thereof.

Section 2. 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:

Jeffrey L. Seltzer	VOTING	Aye
Bruce Ungar	VOTING	Aye
Gary Weiss	VOTING	Aye
Christopher Fusco	ABSENT	

The foregoing Resolution was thereupon declared duly adopted.

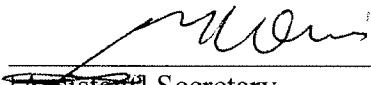
STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF NASSAU                    )

I, the undersigned [~~Assistant~~] Secretary of the Nassau County Local Economic Assistance Corporation (the "Corporation"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the Board of Directors of the Corporation, including the Resolution contained therein, held on June 28, 2012, 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 set forth therein and of the whole of said original so far as the same relates to the subject matter therein referred to.

I FURTHER CERTIFY that (A) all Directors of the Corporation 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 Directors of the Corporation 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 Corporation this 28<sup>th</sup> day of June, 2012.

  
\_\_\_\_\_  
~~[Assistant]~~ Secretary

(SEAL)

EXHIBIT A

See Attached

**NASSAU COUNTY LOCAL  
ECONOMIC ASSISTANCE CORPORATION  
(THE “CORPORATION”)**

**Memorandum**

**To:** Staff

**From:** Board of Directors of the Corporation

**Date:** June 28, 2012

**Re:** Transaction Process Guidelines

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The following are the Corporation’s updated guidelines for the review and processing of potential project applications from initial contact to closing of the transaction. The following are intended to provide overall guidance but are by no means exhaustive or all inclusive and may not be applicable to all matters:

1. Initial Contact
  - The Chief Executive Officer or other designated official or agent (“Corporation Contact”) shall make a written record of the initial contact including time, date and method of contact, name of applicant, address, type of enterprise and applicant point of contact.
  - Corporation Contact provides Pre-Application Questionnaire to the potential applicant and schedules a meeting to review the applicant’s response.
  - Logs of initial contacts shall be distributed to the directors periodically.
  
2. Meeting with Corporation Contact
  - Applicant should bring documentation of and/or be prepared to discuss: (i) location of proposed project, (ii) nature of proposed project, (iii) location of existing facilities of the applicant, (iv) proposals for job

retention/creation, (v) likely community impacts and reaction, and (vi) requested types and amounts of financial assistance.

- If the Corporation Contact determines that the proposed project is viable, the applicant is invited to appear before the Transactions Committee and the Chief Executive Officer or other Corporation Contact provides the appropriate form of Application for Financial Assistance to the applicant. The applicant is asked to complete the Application (to the extent possible) and to deliver it to the Corporation in draft form.
- General Counsel to the Corporation will generally participate in the initial meeting with the applicant.

### 3. Presentation to Transactions Committee

- Prior to presentation, the Corporation Contact provides the pre-application questionnaire response, the draft Application for Financial Assistance from the applicant, the results of searches and background checks, if any, and any other relevant materials to the Transactions Committee.
- Transactions Committee shall consist of two (2) directors of the Corporation, the Chief Executive Officer and such other directors, agents and persons as the directors of the Corporation shall appoint. The Committee's function shall be advisory in nature and all final decisionmaking shall remain with the directors of the Corporation.
- Applicant informally presents the proposed project to the Transactions Committee and receives feedback as to the anticipated financial assistance package, either at the end of the proposal or shortly thereafter. Transactions Committee authorizes the Corporation Contact to further negotiate the terms of the financial assistance package and to initiate the SEQR and public notice(s) process upon receipt of a completed and executed Application for Financial Assistance.
- Corporation Contact, at the direction of the Transactions Committee, advises the applicant that the Corporation will authorize the applicant to file the completed and executed Application for processing if made within 30 days following the date of the presentation.
- Corporation Contact provides a form of Preliminary Agreement to the applicant which may be signed at the conclusion of the Transactions Committee meeting but shall be signed in no event later than the submission of the formal Application by the applicant. The Preliminary Agreement constitutes an agreement by the applicant to pay or reimburse the Corporation for its expenses in connection with the processing, review and evaluation of the Application.
- The Chief Executive Officer presents to the Transactions Committee a proposed purchase order setting forth expense "charge backs" to be paid to the Nassau County Industrial Development Agency ("NCIDA") pursuant

to the cooperation agreement or similar arrangement between the Corporation and NCIDA for services rendered in connection with the proposed project. The Transactions Committee reviews the purchase order and makes recommendations for adjustments, if any. Such purchase order may need to be amended during the review period based on actual facts and circumstances and the Chief Executive Officer is authorized to make such adjustments as required with prior notice to the Chairman.

4. Application to the Corporation

- Applicant submits completed and executed Application for Financial Assistance, including Environmental Assessment Form and other required exhibits.
- Applicant deposits with the Corporation: (i) \$1,000 application fee, (ii) \$3,500 expense deposit for bond counsel fees, and (iii) \$2,500 expense deposit for cost/benefit analysis, if applicable. In the event that the transaction does not close, the Corporation shall use the expense deposits to defray the costs of the applicable professionals and return any balance to the applicant. In the event that the transaction closes, such expense deposits shall be credited against the final invoices delivered by the applicable professionals at closing.
- Bond Counsel reviews the Application and provides due diligence memo (if required).

5. Public Hearing

- Corporation Contact schedules and conducts public hearing (if required).
- Corporation Contact prepares report of public hearing and delivers report to the directors.

6. SEQR Review Process

- Initiated by Bond Counsel upon receipt of Environmental Assessment Form from applicant.
- Additional documentation supplied as necessary.
- Bond Counsel drafts appropriate findings/resolution.

7. Cost-Benefit Analysis

- The Corporation will perform a cost/benefit analysis with respect to each proposed project only where the Chief Executive Officer or the Transactions Committee determines that such analysis is warranted and beneficial under the circumstances presented and is not cost prohibitive under the circumstances presented. When the Chief Executive Officer or the Transactions Committee determines in a particular instance that a

formal cost/benefit analysis is warranted, the Corporation will obtain such analysis from an independent, third-party consultant engaged by the Corporation, unless the size or type of the proposed project does not warrant the expense of such a third-party analysis, in which event the Corporation's staff shall perform the cost/benefit analysis for the Corporation. The directors of the Corporation recognize that a formal cost/benefit analysis will not be warranted except in extraordinary circumstances.

- When the Chief Executive Officer or the Transactions Committee determines that a cost/benefit analysis shall be performed, such analysis shall be ordered upon receipt of the Application and shall be distributed to all directors of the Corporation.

8. Bond Counsel prepares transaction documents

- Bond Counsel/General Counsel obtains "public approval" of tax-exempt bonds from County Executive (if applicable).
- Bond Counsel/Administrative Director obtains volume cap from State (if required).
- Bond Counsel attempts to obtain bond issuance charge and Commissioner of Health charge waivers (no longer likely to be granted).
- Bond Counsel/General Counsel/Executive Director negotiate and revise applicable documents.

9. Inducement/Approving/Bond Resolution

- The Chief Executive Officer or other agent or person prepares, prior to the Corporation meeting, the requisite internal forms and summaries.
- Closing documents may not be in final form, but all major issues should be resolved.
- Directors of the Corporation ratify/approve the recommended expense "charge back" with NCIDA to be paid pursuant to the cooperation agreement or similar arrangement between the Corporation and NCIDA, as adjusted during the review period.

10. Closing

- General Counsel and Bond Counsel deliver requisite opinions.
- Bond Counsel delivers ST-60 to New York State Department of Taxation and Finance, if applicable.
- Bond Counsel makes applicable filings with the Internal Revenue Service.