

PLEASE NOTE - We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minutes (1 speaker per group). Speakers' comments may address only items considered at today's meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD's website prior to the meeting in accordance with the Public Officers Law

NEW YORK JOB DEVELOPMENT AUTHORITY

Meeting of the Members

Friday

November 16, 2012 – 1:30 p.m.

AGENDA

CORPORATE ACTIONS

1. Approval of Minutes of the September 28, 2012 Members' Meeting
2. Establishment of Pre-Qualified Counsel List – Approval of Pre-Qualified Counsel

FOR CONSIDERATION

3. Woodside (New York City Region – Queens County) – Happy Rock Partners, L.P. Business Financing – Authorization to Make a Loan and to Take Related Actions

DRAFT – SUBJECT TO REVIEW AND REVISION

NEW YORK JOB DEVELOPMENT AUTHORITY
d/b/a Empire State Development Corporation
Meeting of the Members
Empire State Development Corporation
625 Broadway
Albany, New York 12245

and

633 Third Avenue
New York, New York 10017

and

Department of Financial Services
1 State Street
New York, New York 10006

September 28, 2012

MINUTES

Members Present:

Justin Ginsburgh – Acting Chairman
Adam Barsky
Andrew J. Maniglia
Emily Youssouf
Dr. Phil Giltner, Designee – NYS Superintendent of
Agriculture and Markets
Mario Musolino, Designee – NYS Department of Labor
Anthony Albanese - Designee, Superintendent – NYS
Department of Financial Services

JDA Staff:

Maria Cassidy, Deputy General Counsel
Eileen McEvoy, Secretary
Kathleen Mize, Controller
Frances A. Walton, Senior Vice President and Chief
Financial Officer

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Present for ESD: Joseph Chan, Executive Vice President – Business Development
Robert Godley, Treasurer
Peter Heilbrunn, Senior Director – Debt Management
Antovk Pidedjian, Senior Counsel
Ray Salaberrios, Senior Director – Economic Revitalization
Susan Shaffer, Vice President – Loans and Grants

Also Present: The Press
The Public

The meeting was called to order at 1:01 p.m. by Acting Chairman Ginsburgh. It was noted for the record that notice to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Acting Chairman Ginsburgh then set forth the guidelines regarding comments by the public on matters on the Agenda.

The Acting Chairman then entertained a motion to approve the Minutes of the June 26, 2012 Members’ meeting.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT JUNE 26, 2012 MEMBERS’ MEETING OF THE NEW YORK JOB DEVELOPMENT AUTHORITY

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RESOLVED, that the Minutes of the meeting of the Authority held on June 26, 2012 as presented to this meeting, are hereby approved and all actions taken by the Members present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

* * *

Acting Chair Ginsburgh then asked the Members to approve the appointment of officers as noted in the following resolution.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

Officers of the Authority - Appointment of Officers –Executive Vice President and Chief Operating Officer and Deputy General Counsel

RESOLVED, that the following individuals be, and they hereby are appointed to the offices which appear opposite their respective names, effective September 18, 2012, until their earlier resignation or removal:

<u>NAME:</u>	<u>OFFICE:</u>
Justin Ginsburgh	Executive Vice President and Chief Operating Officer
Maria Cassidy	Deputy General Counsel

And be it further

RESOLVED, that in accordance with and for all the purposes of the JDA Act and the JDA By-Laws, the above-referenced individuals are “officers” for the Authority, with the duties and responsibilities substantially as set forth in the materials presented to this meeting, which materials are ordered filed with the records of the Authority.

* * *

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Mr. Salaberrios then asked the Members to authorize JDA to establish a Loan Loss Reserve and to buy down JDA interest rates.

Mr. Salaberrios provided the relevant background information with regard to this request.

Mr. Salaberrios explained that in September of 2012, staff presented information to the JDA Finance Committee regarding the JDA interest rate and how it compared to the Small Business Administration's (SBA) 504 Program.

Mr. Salaberrios further explained that staff illustrated that JDA's rates have been consistently higher than the SBA rate. To address this discrepancy, Mr. Salaberrios continued, staff proposed the use of Liberty Bond fees to buy down, in certain cases, the 20 year fixed JDA interest rate.

Mr. Salaberrios added that the Finance Committee endorsed the foregoing and recommended its submission to the full JDA Board.

Mr. Salaberrios went on to explain that staff also discussed the establishment of a loan loss reserve against future potential defaults in repayments of loans made under the JDA program. Mr. Salaberrios added that this reserve will also be funded with Liberty Bonds fees in the proposed amount of \$5,000,000 and shall in no event be funded in the amount greater than

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25 percent of the total amount of the outstanding loan.

Following the full presentation, the Acting Chair called for questions or comments.

Member Youssouf asked if the funds from the Liberty Bond fees were already there and

Ms. Walton answered that they were.

A discussion ensued regarding the wording of the Board materials for this item and it was ultimately decided to amend them to read ... “the lesser of the \$5 million or 25 percent.”

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was adopted contingent upon the amendment of the Board materials as previously noted:

Authorization to Establish a Loan Loss Reserve and Buy Down JDA Interest Rates

RESOLVED, that the Chairman of the Authority, or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the establishment of a loan loss reserve fund and buy down of JDA interest rates.

* * *

Mr. Godley then asked the Members to approve a new slate of Underwriters, Financial Advisors and Finance Product Providers. He noted that the current slate expired in August.

Mr. Godley went on to provide the details of the process involved in making these

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selections.

Mr. Godley added that the Board is also being asked to authorize the Authority's Chief Financial and Administrative Officer to extend the term for one year and further to authorize the Authority's Chief Executive Officer to further extend the term for an additional year.

Following the full presentation, the Chair called questions or comments. Member Youssouf noted that there are many firms listed and questioned that number citing her belief that JDA's bond issues are not going to be that large.

It was explained that the slate is the same as is used for ESD and the LDC issuers as well.

Member Youssouf then asked how many firms, does staff anticipate would work on a small transaction of \$10,000,000, for example. Ms. Walton explained that there is no pre-determined number of firms but the number would be proportionately reduced to the size of the deal.

Member Barsky then noted that the RFP was sent to a number of MWBE firms and that many were selected. He asked if the number of MWBE firms selected was consistent with the Executive Order issued a couple of years ago and Ms. Walton informed him that it was consistent with the Executive Order.

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Member Barsky noted that that should be so stated for the record. Ms. Walton agreed and further noted that the size of the syndicate is driven by the Executive Order to ensure that there are sufficient numbers of MWBE firms represented.

Member Youssouf asked how staff chooses who will be included on a small transaction.

Ms. Walton explained that staff attempts to rotate firms so that they all have an opportunity to participate. Ms. Walton further explained that staff takes into consideration how much business the Authority has given to any particular firm and attempts to then balance out while at the same time include firms that are both good retail and good institutional firms and equally MWBE's.

Director Maniglia then asked how much the list differs from the list that expired and Mr. Godley stated that the lists are very similar. He added that the number of seniors has been increased to incorporate more MWBE firms.

Member Barsky asked if this includes SWAP providers and whether there was a requirement that they maintain a certain credit rating. It was explained that the firms are required to have an AA rating at the time they are selected.

A brief discussion ensued with regard to several other questions related to the slate of underwriters all of which were satisfactorily addressed by Ms. Walton.

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There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK JOB DEVELOPMENT AUTHORITY - Selection of Underwriters, Financial Advisors, and Financial Product (SWAP) Providers for the Authority

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Authority (the “Materials”), there is hereby appointed the following team of underwriters, to serve on a rotating basis as needed, for a term of two years; it is also recommended that authority be granted to the Chief Financial and Administrative Officer to extend the term for one year and that the Chief Executive Officer can further extend the term for an additional year:

Senior Managers:

Bank of America/Merrill Lynch
Barclays Capital Inc.
Citigroup Global Markets Inc.
Goldman, Sachs & Co.
Jefferies & Company, Inc.
JP Morgan Securities LLC
Loop Capital Markets LLC
Morgan Stanley & Co. LLC
M.R. Beal & Company
RBC Capital Markets, LLC
Rice Securities, LLC
Samuel A. Ramirez & Co., Inc.
Seibert Brandford Shank & Co. LLC
Wells Fargo Bank, N.A.

Co-Managers:

Blaylock Robert Van, LLC
BNY Mellon Capital Markets, LLC
CastleOak Securities, L.P.
Fidelity Capital Markets
Jackson Securities
Janney Montgomery Scott LLC
KeyBanc Capital Markets Inc.
Lebenthal & Co., LLC
M&T Securities, Inc.

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Mesirow Financial, Inc.
Morgan Keegan & Company, Inc.
Oppenheimer & Co. Inc.
Piper Jaffray & Companies
Prager & Co., LLC
Roosevelt & Cross Incorporated
Southwest Securities
Sterne Agee
Stifel, Nicolaus & Company, Incorporated
TD Securities (USA) LLC
The Williams Capital Group, L.P.
US Bancorp Investments, Inc.

and be it further

RESOLVED, that on the basis of the Materials, the following firms are appointed as approved financial advisors for a term of two years; it is also recommended that authority be granted to the Chief Financial and Administrative Officer to extend the term for one year and that the Chief Executive Officer can further extend the term for an additional year:

Financial Advisors:

Acacia Financial Group, Inc.
Public Financial Management, Inc.
Public Resources Advisory Group, Inc./Mohanty Gargiulo LLC

and be it further

RESOLVED, that on the basis of the Materials, the following firms are appointed as approved financial product (swap) providers for a term of two years; it is also recommended that authority be granted to the Chief Financial and Administrative Officer to extend the term for one year and that the Chief Executive Officer can further extend the term for an additional year:

Financial Product (SWAP) Providers:

Barclays Capital Inc.
BNY Mellon Capital Markets, LLC
Goldman, Sachs & Co.
RBC Capital Markets, LLC
Wells Fargo Bank, N.A.

and be it further

RESOLVED, that the Chief Executive Officer, Chief Financial and Administrative Officer, and the Treasurer of ESD or his designee(s) be, and each of them hereby is, authorized in the name and

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on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing.

* * *

The Acting Chair then called upon Mr. Salaberrios to present the A.S. Diamonds, Inc. JDA Real Estate Loan for the Members' consideration.

Mr. Salaberrios explained that the Board is being asked to approve a real estate loan in an amount not to exceed \$3,944,350 to A.S. Diamonds, Inc. to purchase and fit out an 8,584 square foot condominium unit at the International Gem Tower to be used for diamond manufacturing.

Among other things, Mr. Salaberrios explained that in October of 2011, the JDA Board approved a loan to A.S. Diamonds in an amount of \$2.6 million. The JDA investment, he continued, represented at that time, 50 percent of the original project costs and did not exceed \$2,623,000.

Subsequently, Mr. Salaberrios added, A.S. Diamonds came back to the JDA Board and staff seeking an increase of that amount.

The new project, Mr. Salaberrios explained, will create nine full-time permanent jobs and the total project cost is estimated to be \$7.8 million.

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Following the full presentation, the Acting Chair called for questions or comments.

Director Youssouf asked how many condos have been sold thus far and Mr. Salaberrios stated that Extell Development Group has sold 43 units and each unit is required to put 10 percent down. He added that Extell is holding approximately \$50 million in deposits.

Mr. Salaberrios further stated that it is anticipated that most of these stores will come to JDA for financing.

The Acting Chair asked when the building will be open and Mr. Salaberrios stated that it is expected to open in December 2012 at least insofar as the diamond industry portion is concerned.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

New York (New York City Region - New York County) – A.S. Diamonds, Inc. – New York Job Development Authority Special Purpose Fund Direct Loan Project – Real Estate Loan – Authorization to Make a Loan and to Take Related Actions; Determination of No Significant Effect on the Environment

RESOLVED, that the Chairman of the Authority or his designee(s) be, and each of them hereby is, authorized to make a Special Purpose Fund Real Estate Loan to the Statewide Local Development Corporation for the benefit of the following Project Owner(s) for the amount(s) not to exceed, and the respective percent(s) of total Real Estate Project cost(s), whichever is less, set forth for each:

Condo Unit #	Project Owner	Project Occupant	JDA Investment	% of Project Cost
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18LMR	A.S. Diamonds, Inc.	ASD Gem Realty, LLC	\$3,944,350	50%
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to be funded from the proceeds of New York State Guaranteed Special Purpose Fund taxable bonds or notes, for the purposes and substantially on the terms and conditions set forth in the materials presented at this meeting, with such changes as the Chairman of the Authority or his designee(s) may deem appropriate; and be it further

RESOLVED, that the Chairman of the Authority or his designee(s) be, subsequent to the making of the Loan(s), and each of them hereby is, authorized to take such actions and make such modifications to the terms of the Loan(s) as he or she may deem appropriate in the administration of the Loan(s); and be it further

RESOLVED, that the Chairman of the Authority, or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions; and be it further

RESOLVED, that the provision of financial assistance by the Authority is expressly contingent upon: (1) the approval of the Public Authorities Control Board, as applicable, and (2) the receipt of all other necessary approvals; and be it further

RESOLVED, that based on the materials submitted to the Members with respect to the Project Owner(s) and/or Project Occupant(s) listed above, the Authority hereby determines that the proposed action(s) will not have a significant effect on the environment.

* * *

Next, Mr. Salaberrios presented The Case Group, LLC Real Estate Loan and Machinery and Equipment Loan Project for the Members' consideration.

Mr. Salaberrios stated that the Members were being asked to provide a \$1.2 million real estate loan and a \$816,000 machinery and equipment loan to the Company.

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Mr. Salaberrios went on to outline the background information with regard to these loans. Mr. Salaberrios explained that in June 2002, the Company received a \$1.4 million loan to purchase the existing site and to construct the facility the Company now occupies.

The total amount at that time, he added, represented 40 percent of the project.

Mr. Salaberrios further explained that there is currently a balance of \$967,000.

Mr. Salaberrios further stated that the new project, which involves the proposed business expansion of the Green Island facility, will enable The Case Group to increase manufacturing capacity to meet market demand for thermally improved steel, stainless steel and bronze window treatments.

Ms. Salaberrios further noted that the project is expected to retain 31 jobs and create 24 new jobs.

Following the full presentation, the Acting Chair called for questions or comments.

Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

Green Island (Capital Region – Albany County) – The Case Group, LLC – New York Job Development Authority Special Purpose Fund Direct Loan Project – Real Estate and Machinery and Equipment Loans -- Authorization to Make Two Loans and to Take Related Actions; Determination of No Significant Effect on the Environment

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, and each of

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them hereby is, authorized to make a Special Purpose Fund Real Estate Loan to Statewide Local Development Corporation for the benefit of the Case Group, LLC for an amount not to exceed \$1,200,000 or 60% of total Project costs, whichever is less, to be funded from the proceeds of New York State Guaranteed Special Purpose Fund bonds or notes, for the purposes and substantially on the terms and conditions set forth in the materials presented at this meeting, with such changes as the Chief Executive Officer of the Authority or his designee(s) may deem appropriate; and be it further

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, and each of them hereby is, authorized to make a Special Purpose Fund Machinery and Equipment Loan to Statewide Local Development Corporation for the benefit of The Case Group, LLC for an amount not to exceed \$816,000 or 60% of total Project costs, whichever is less, to be funded from the proceeds of New York State Guaranteed Special Purpose Fund bonds or notes, for the purposes and substantially on the terms and conditions set forth in the materials presented at this meeting, with such changes as the Chief Executive Officer of the Authority or his designee(s) may deem appropriate; and be it further

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, subsequent to the making of the Loans, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the Loans as he or she may deem appropriate in the administration of the Loans; and be it further

RESOLVED, that the Chief Executive Officer of the Authority, or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions; and be it further

RESOLVED, that the provision of financial assistance by the Authority is expressly contingent upon: (1) the approval of the Public Authorities Control Board, as applicable, and (2) the receipt of all other necessary approvals; and be it further.

RESOLVED, that based on the materials submitted to the Members with respect to The Case Group, LLC Project, the Authority hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Acting Chairman Ginsburgh then noted that with regard to JDA's Investment Report that had been previously provided to the Members, that there would be no presentation on

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this report but that staff was available to answer any questions from the Members. There were no questions from the Members regarding this report.

Mr. Salaberrios then provided a report on JDA's Application for Financial Assistance for the Members' information. He explained that this application more readily identifies JDA as a source of funds for the applicant. Mr. Salaberrios went on to briefly outline other aspects of the application. Member Youssouf commented favorably with regard to the application. In closing, Mr. Salaberrios noted that Mr. Freeman came up with the idea of putting the application together and was instrumental in its preparation.

There being no further business, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

Eileen McEvoy
Secretary



FOR CONSIDERATION

November 16, 2012

TO: Authority Members

FROM: Kenneth Adams

SUBJECT: Woodside (New York City Region – Queens County) – Happy Rock Partners, L.P. – Business Financing

REQUEST FOR: Authorization to Make Loan and to Take Related Action

I. Project Summary

Occupant: 1. Sequins International, Inc.
2. Additional tenants to occupy the balance of the 85,000 square-foot building. Executed and signed leases for the additional tenants, acceptable to JDA and indicating a minimum rate of \$11 per square foot, will be provided prior to disbursement of funds.

Owner: Happy Rock Partners, L.P.

JDA Investment: 1) Real Estate loan representing 60% of eligible project costs, not to exceed \$483,000. Interest will be at a fixed taxable rate, currently at 4.71% for a term of 10 years.

Project Location: 60-01 31st Avenue, Woodside New York 11377

Proposed Project: \$483,000 Job Development Authority (JDA) loan towards the redevelopment of the applicant's current 85,000 square foot (SF) manufacturing facility in Woodside (Queens), New York, which will then be leased to pre-signed manufacturing/industrial companies at a total project cost of \$854,500 (the "Project").

Project Type: Creation of move-in-ready and affordable space for New York City manufacturing and industrial firms.

Regional Council: The New York City Regional Council has been made aware of this item. JDA issued the firm an incentive proposal in October, 2012. The Project is consistent with the Regional Plan.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction costs	\$805,000
Soft Costs	\$49,500
Total Real Estate Project Costs	<u>\$854,500</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
JDA	\$483,000	57%	4.71% /10 yrs/2 nd position
Equity	<u>\$371,500</u>	<u>43%</u>	
Total Project Financing	<u>\$854,500</u>	100%	

III. Project Description and Company Background

A. Company

Industry: Happy Rock Partners, L.P. is a lessor of nonresidential buildings (except miniwarehouses): NAICS Code: 531120.

Company History: Happy Rock Partners L.P. was started in 1990 by the Gladstone family for the special purpose of acquiring the Project Location.

Ownership: The firm is privately held. Ownership interest is as follows: Lawrence Gladstone (24.75%), Stephen Gladstone (24.75%), Lisa Gladstone Rosenstein (16.5%), Jeffrey Gladstone (16.5%), Russell Gladstone (16.5%) and 60-01 Realty Corp. (1%)

Market: There is a scarcity of space available in appropriate size, condition and configuration for the need of many small industrial businesses. NYC EDC recognized this constricting supply in its 2011 New Industrial NYC report, referencing that the Bloomberg Administration is focusing on initiatives that will result in "activating, modernizing and/or preserving up to nine million square feet of industrial space." Further, NYC EDC is competitively allocating \$8 million of the City Council Small manufacturing Investment Fund for the reactivation, renovation and subdivision of privately-held vacant industrial loft space.

JDA Involvement: The firm is seeking JDA financing not to exceed \$483,000, or 60% of the

total project cost, in order to build out manufacturing space in its 85,000 square-foot facility in Woodside, Queens. The proposed JDA loan would not be funded until all Tenant Improvements are complete, and applicant has executed and signed leases acceptable to JDA indicating minimum rate of \$11 PSF. But for JDA financing, the Project would not be completed.

B. The Project

Completion: December 31, 2012

Activity: Renovation of an 85,000 square-foot facility in Woodside, Queens, to expand availability of move-in-ready and affordable manufacturing space.

Results: Prudent use of JDA loan funds could help alleviate one of the main issues facing the NYC industrial sector; the limited financing resources available for smaller industrial projects.

Occupant Contact: Stephen Gladstone and Lawrence Gladstone
Happyrock Partners L.P.
60-01 31st Avenue
Woodside New York 11377
Phone: 718-204-0002
Fax: 718-204-0999

Local Dev. Corp.: Statewide Local Development Corporation
633 Third Avenue
New York, NY 10017

Anticipated
Source: JDA State Guaranteed Special Purpose Tax-Exempt Bonds

JDA Project Number: Y016

Project Team: Origination: Rafael Salaberrios
Project Management: Andrew Flamm
Legal: Antovk Pidedjian
Contractor & Supplier Diversity: Vikas Gera
Finance: Amit Nihalani
Environmental: Soo Kang

IV. Basis for Recommendation

1. The Company has warranted that it complies and will comply with Federal and State legal requirements as to non-discrimination and equal opportunity in hiring and operational practices.
2. The Project is located in a distressed area, and will benefit from up to 60% JDA financing participation.
3. The Project would not proceed without the participation of JDA.
4. Financial analysis indicates that, as of the close of the last fiscal year, the Company would be able to support the debt service on the Project. Moreover, the projections indicate that sufficient funds will be available once the Project is completed.
5. Increasing availability of move-in-ready and affordable space for New York City manufacturing and industrial firms pursuant to Section §1827 *et seq.* of the New York Job Development Authority Act.

If approved, this loan shall be subject to the usual JDA conditions, to the special conditions listed on Schedule A attached, and to such other conditions as counsel may determine are in the best interest of JDA.

V. Financial Terms and Conditions - (Schedule A)

1. The Company shall pay a \$250 application fee plus a 1% commitment fee upon acceptance of the Loan Authorization.
2. The Company will demonstrate no material adverse change in its financial condition prior to closing.
3. The Company or the Company's owners will contribute at least 40% in equity to the Project. Equity is defined as any non-debt source of capital, and should be auditable through Company financial statements or Company accounts, if so requested by JDA.
4. JDA will only disburse funds after the Project is completed.
5. Receipt of the personal guarantee(s) of Lawrence Gladstone and Stephen Gladstone in form and substance satisfactory to JDA.
6. Receipt of the corporate guarantee(s) of Happy Rock Partners, L.P. and Sequins International, Inc. in form and substance satisfactory to JDA.
7. Collateralization of the JDA loan(s) with insurance on the life/lives of Lawrence Gladstone and Stephen Gladstone in an amount sufficient to pay the outstanding

principal balance of the JDA loan(s) at any time.

8. Receipt of an appraisal, to be done by a New York State Certified Real Estate Appraiser acceptable to JDA and paid for by the Company, which indicates a fair market value of the realty project of at least \$7,590,200. If the Project is valued to be less, the JDA loan may be reduced proportionately.
9. Commitments and financing documents of other lender(s) to be satisfactory to JDA.
10. All certifications and permits for the operating purposes of this facility to be in full force and effect prior to closing of JDA loan.
11. Executed and signed leases acceptable to JDA indicating a minimum rate of \$11 per square foot.
12. Confirmation of receipt of New York City Commercial Expansion Program Tax Abatement.

VI. Environmental Review

ESD staff on behalf of the JDA has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the JDA's mortgage position on the loan, a Phase I Environmental Site Assessment must be submitted to the JDA for review and approval prior to closing on the loan.

VII. Non-Discrimination and Contractor & Supplier Diversity

JDA's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Borrower (Happyrock) shall be required to (i) solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and (ii) use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 40%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 25% and a Women Business Enterprise ("WBE") Participation Goal of 15% related to the total value of JDA's funding.

VIII. Additional Submissions to Members

Resolutions

New York State Map

November 16, 2012

Woodside (New York City Region – Queens County) – Happy Rock Partners, L.P. –
New York Job Development Authority Special Purpose Fund Direct Loan Project –
Real Estate Loan -- Authorization to Make Loan and to Take Related Action

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, and each of them hereby is, authorized to make a Special Purpose Fund Real Estate Loan to Statewide Local Development Corporation for the benefit of the Happy Rock Partners, L.P. for an amount not to exceed \$483,000 or 57% of total Project costs, whichever is less, to be funded from the proceeds of New York State Guaranteed Special Purpose Fund bonds or notes, for the purposes and substantially on the terms and conditions set forth in the materials presented at this meeting, with such changes as the Chief Executive Officer of the Authority or his designee(s) may deem appropriate; and be it further

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, subsequent to the making of the Loans, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the Loans as he or she may deem appropriate in the administration of the Loans; and be it further

RESOLVED, that the Chief Executive Officer of the Authority, or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions; and be it further

RESOLVED, that the provision of financial assistance by the Authority is expressly contingent upon: (1) the approval of the Public Authorities Control Board, as applicable, and (2) the receipt of all other necessary approvals.
