

Jefferson County Industrial Development Agency
800 Starbuck Avenue, Suite 800
Watertown, New York 13601
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915
www.jcida.com

Notice of Board Meeting

Date: April 20, 2023

To: William Johnson
David Converse
W. Edward Walldroff
Paul Warneck
Lisa L'Huillier
John Condino

From: Chairman Robert Aliasso

Re: Notice of Board of Directors' Meeting

=====

The Jefferson County Industrial Development Agency will hold their Board Meeting on **Thursday, May 4, 2023 at 8:30 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

The live stream link will be available at www.jcida.com.

Zoom:

<https://us02web.zoom.us/j/84355250468?pwd=R0t4VjRPdGJBZDJrL2JQYVVVjKytDdz09>

Meeting ID: 843 5525 0468

Passcode: 011440

1-929-205-6099 US (New York)

Please confirm your attendance with Peggy Sampson pssampson@jcida.com at your earliest convenience.

pss

c: David Zembiec, CEO
Marshall Weir
Lyle Eaton
Jay Matteson
Joy Nuffer
Robin Stephenson
Christine Powers
Greg Gardner
Kent Burto
Rob Aiken
Justin Miller, Esq.
Media

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BOARD MEETING AGENDA
Thursday, May 4, 2023 - 8:30 a.m.

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes – April 6, 2023**
- V. Treasurer’s Report – April 30, 2023**
- VI. Committee Reports**
 - a. Alternative Energy Ad Hoc Committee**
- VII. Unfinished Business**
 - 1. 146 Arsenal Street update**
 - 2. Convalt Manufacturing – Revised PILOT Application**
- VIII. New Business**
 - 1. Aviagen Building Review (Corporate Park)**
 - 2. Resolution No. 05.04.2023.01 for Authorizing a Modification to the Convalt Energy Participation Bridge Loan**
- IX. Counsel**
 - 1. Resolution No. 05.04.2023.02 Authorizing a Settlement of Certain Outstanding Loans Previously Issued to RBM Manufacturing Corp.**
- X. Adjournment**

**Jefferson County Industrial Development Agency
Board Meeting Minutes
April 6, 2023**

DRAFT

The Jefferson County Industrial Development Agency held their board meeting on Thursday, April 6, 2023 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., Paul Warneck, Lisa L'Huillier, David Converse, W. Edward Walldroff

Excused: William Johnson, John Condino

Absent: None

Also Present: Christine Powers

Zoom: Justin Miller, Esq. (Harris Beach), Brian Roy, Esq. (Harris Beach), Craig Fox from the Watertown Daily Times

Staff Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Robin Stephenson, Jay Matteson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:42 a.m.
- II. Privilege of the Floor:** Chairman Aliasso invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the meeting held March 9, 2023 were presented. A motion to approve the minutes as presented was made by Mr. Converse, seconded by Mr. Walldroff. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending March 31, 2023. He asked Mr. Eaton about the \$82,500 Felt Mills fee on the miscellaneous receivables report. Mr. Eaton said it is the closing fee for the solar project which was due to close by the end of March but was delayed. Mr. Warneck said approximately \$2.4M has passed through to the YMCA from the DOD grant. He said the total liability and capital on the balance sheet shows a \$34,000 difference from the previous month.

Mr. Warneck reviewed the loan delinquencies. He said that a demand letter was sent to Sarah's Barbershop, Standard Machine and Fabrication has been turned over for legal action, and RBM is in default. After discussion, a motion was made by Ms. Warneck to accept the financial statement as presented, seconded by Ms. L'Huillier. All in favor. Carried.

Executive Session

At 8:46 a.m., a motion was made by Mr. Walldroff to enter into executive session to seek legal advice and to discuss the financials of a particular person or corporation, seconded by Mr. Warneck. All in favor. Board Members, LDC Board Member Powers, Staff and Counsel remained.

At 9:18 a.m., a motion was made by Mr. Converse to leave the executive session, seconded by Mr. Warneck. No action was taken.

Jefferson County Industrial Development Agency
Board Meeting Minutes
April 6, 2023

DRAFT

V. Committee Reports:

- a. **Alternative Energy Ad Hoc Committee** – Mr. Warneck said the committee did not have a meeting. Mr. Zembiec said that he will be setting up meetings with the taxing jurisdictions for the other two large-scale solar projects – Riverside and Greens Corners.

VI. Unfinished Business:

1. **146 Arsenal Street update** – Mr. Zembiec said they continue to attend weekly progress meetings.

VII. New Business:

1. **Authorizing Resolution No. 04.06.2023.01 for Public Meeting Videoconferencing Policy** – A motion was made by Mr. Warneck to approve the resolution and policy, seconded by Ms. L'Huillier. Roll call vote. Mr. Aliasso – Yea, Mr. Condino – Absent, Mr. Converse – Yea, Mr. Johnson – Absent, Ms. L'Huillier – Yea, Mr. Walldroff – Yea, Mr. Warneck – Yea. Carried.

2. **Proposed Bylaws** – The adoption of the videoconferencing policy prompted the change to the bylaws. Mr. Zembiec said the current bylaws did not reference remote meetings. The proposed language is as follows:

Section 5. PARTICIPATION BY VIDEOCONFERENCING. In accordance with the Agency's Videoconferencing Policy, any one or more members of the board may participate in a meeting of the board or committee by videoconference from non-public locations when necessitated by "extraordinary circumstances" (as identified by the policy) with the following provisions:

- a) Any member attending via videoconferencing from a non-public setting under extraordinary circumstances will not be counted toward a quorum, but will be considered present and may participate and vote.
- b) The number of members participating in person--including any member attending via videoconference in a predetermined and noticed public location, or from a public location under extraordinary circumstances—must constitute a quorum.
- c) Any member participating via videoconferencing must be visible, heard, and identifiable by all members attending in person, as well as members of the public attending in person or via videoconference.
- d) When participating under "extraordinary circumstances" by which a member of the public body may request participation via videoconferences, they must notify the Agency staff by phone or email as soon as the circumstance is presented.

A motion was made by Mr. Warneck to approve the revised bylaws, seconded by Mr. Converse. All in favor. Carried.

Jefferson County Industrial Development Agency
Board Meeting Minutes
April 6, 2023

DRAFT

3. **Authorizing Resolution No. 04.06.2023.02 for Public Water Easement with the Town of Watertown** – Chairman Aliasso read the resolution. A motion was made by Mr. Warneck to approve the resolution, seconded by Ms. L’Huillier. Discussion – Mr. Zembiec pointed out that the shaded area of the map shows that the water line is going in the right of way. All in favor. Carried.

VIII. Counsel: None.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Ms. L’Huillier. All in favor. The meeting adjourned at 9:24 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Prepared by Joy Nuffer, April 24, 2023

Income Statement for the Four Month Period Ending April 30, 2023

UNRECONCILED

	Current Year Budget	Year-to-Dat e Total	Current Month	Previous Month	Balance Remaining
Revenues					
Application & Process Fees	\$ 12,000.00	7,102.00	\$ 2,500.00	600.00	4,898.00
Bond Admin Fee	3,000.00	0.00	0.00	0.00	3,000.00
PILOT/Sale Leaseback Fees	1,200,963.00	82,500.00	0.00	82,500.00	1,118,463.00
Fee Income - RLF Program	43,422.00	14,474.00	3,618.50	3,618.50	28,948.00
Fee Income - Micro Program	24,087.00	8,129.00	2,007.25	2,007.25	15,958.00
Interest Income	1,000.00	64.62	0.00	22.26	935.38
Interest Income - RLF Program	32,000.00	10,524.68	3,166.67	2,889.65	21,475.32
Interest Income - Micro Prog.	9,000.00	2,053.83	408.84	391.47	6,946.17
Late Payment Penalty - Micro	300.00	107.36	16.65	16.65	192.64
Miscellaneous Income	0.00	4,547.60	379.50	1,741.60	(4,547.60)
Misc. Income - MICRO Program	0.00	25.00	0.00	0.00	(25.00)
YMCA Income	0.00	25,486.50	6,233.69	8,437.59	(25,486.50)
YMCA Grant Income	0.00	1,238,390.35	(1,152,295.00)	1,238,389.61	(1,238,390.35)
Total Revenues	1,325,772.00	1,393,404.94	(1,133,963.90)	1,340,614.58	(67,632.94)
Operations					
Public Works Fund	0.00	2,000.04	0.00	0.00	(2,000.04)
Office Expense	5,000.00	527.60	0.00	287.94	4,472.40
Admin Services Exp	707,275.00	235,758.32	58,939.58	58,939.58	471,516.68
Depreciation Expense - Siding	17,607.00	5,431.84	1,357.96	1,357.96	12,175.16
D&O Insurance	15,127.00	5,202.64	1,300.66	1,300.66	9,924.36
Commercial Insurance	29,600.00	2,542.84	635.71	635.71	27,057.16
FTZ Expense	1,200.00	0.00	0.00	0.00	1,200.00
Legal- Retainer	18,000.00	4,500.00	0.00	1,500.00	13,500.00
Legal - Unrestricted	40,000.00	0.00	0.00	0.00	40,000.00
Legal - Micro Program	0.00	1,125.00	0.00	1,125.00	(1,125.00)
Legal YMCA	10,000.00	658.29	0.00	0.00	9,341.71
Accounting & Auditing	15,000.00	20,700.00	0.00	20,700.00	(5,700.00)
Corporate Park Expense	0.00	4,547.60	0.00	379.50	(4,547.60)
Coffeen Park Taxes	2,000.00	2,166.92	0.00	0.00	(166.92)
Airport Park Taxes	2,000.00	1,071.02	0.00	0.00	928.98
Fees Expense	1,000.00	110.00	0.00	0.00	890.00
Grant Expense YMCA	0.00	1,238,390.35	(1,152,295.00)	1,238,389.61	(1,238,390.35)
Bad Debt--RLF	190,000.00	(29,583.84)	0.00	(29,583.84)	219,583.84
Bad Debt--Micro	90,000.00	0.00	0.00	0.00	90,000.00
RLF Program Expense	43,422.00	14,474.00	3,618.50	3,618.50	28,948.00
Microenterprise Program Exp	24,087.00	8,040.00	2,007.25	2,007.25	16,047.00
RLF Audit Expense	800.00	0.00	0.00	0.00	800.00
IDA 146 Arsenal Bldg Expense	113,404.00	789.23	0.00	633.49	112,614.77
Building Depreciation- 146 Ars	0.00	32,306.56	8,076.64	8,076.64	(32,306.56)
146 Arsenal Gas	0.00	5,477.07	0.00	2,208.72	(5,477.07)
146 Arsenal Electric	0.00	13,195.54	0.00	3,635.41	(13,195.54)
146 Arsenal Water	0.00	936.81	0.00	312.27	(936.81)
Miscellaneous - Unrestricted	200.00	0.00	0.00	0.00	200.00
Total Operations	1,325,722.00	1,570,367.83	(1,076,358.70)	1,315,524.40	(244,645.83)
Total Revenue	1,325,772.00	1,393,404.94	(1,133,963.90)	1,340,614.58	(67,632.94)
Total Expenses	1,325,722.00	1,570,367.83	(1,076,358.70)	1,315,524.40	(244,645.83)
Net Income Over Expenditures	\$ 50.00	(176,962.89)	\$ (57,605.20)	25,090.18	177,012.89

For Internal Use Only

Jefferson County IDA
Balance Sheet
April 30, 2023

ASSETS

Current Assets		
General Checking	\$	1,321,438.19
Savings Account		258,536.32
Microenterprise Account		75,150.84
City Loan Account		287,877.24
Revolving Loan Fund Account		2,241,950.86
Miscellaneous Receivable		113,522.19
Acct Receivable - Rogers		17,519.31
RLF Loans Receivable		2,225,160.78
Microenterprise Loans Rec.		168,166.21
Allowance for Bad Debt-RLF		(190,000.00)
Allow. for Bad Debts-MICRO		(52,647.30)
Prepaid Expense		8,831.40
		<hr/>
Total Current Assets		6,475,506.04
Property and Equipment		
Accum Depr - Building	(1,107,291.00)	
Accum Depr. Equipment	(52,269.66)	
Accumulated Depreciation Sidin	(32,591.04)	
		<hr/>
Total Property and Equipment		(1,192,151.70)
Other Assets		
IT Server	6,050.00	
Equipment	13,366.00	
Corp. Park Improvements	209,995.14	
Airport Property	884,326.02	
Intangible Asset	53,195.00	
WIP Airport	363,885.10	
WIP Intersection	244,973.52	
Woolworth Building	505,000.00	
Rail Siding CCIP	244,434.00	
Land 146 Arsenal	126,577.50	
146 Ars Building Improvements	3,264,556.08	
		<hr/>
Total Other Assets		5,916,358.36
		<hr/>
Total Assets	\$	<u><u>11,199,712.70</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
RLF Loan Payable	\$	700,000.00
Due HUD - RLF Interest		573.99
Due HUD - MICRO Interest		2.67
Due HUD - CITY Loan Interest		7.10
Maintenance Reserve Convergys		14,445.48
Maintenance Expense Convergys		25,927.57
ARPA Airport Sewer		1,208,000.00
Car Freshner Signage		11,000.00
		<hr/>
Total Current Liabilities		1,959,956.81
Long-Term Liabilities		
Due NYS/IAP L.T.		180,159.78
Deferred Revenue - Rogers		18,000.51

Unaudited - For Management Purposes Only

Jefferson County IDA
Balance Sheet
April 30, 2023

Total Long-Term Liabilities		<u>198,160.29</u>
Total Liabilities		2,158,117.10
Capital		
General Fund Bal - Unrestrict.	3,142,348.91	
Fund Bal - RLF Restricted	4,419,309.27	
Fund Bal - Micro Restricted	414,850.76	
Fund Bal - City Restricted	262,489.22	
Cap. Impr. Convergys	979,560.33	
Net Income	<u>(176,962.89)</u>	
Total Capital		<u>9,041,595.60</u>
Total Liabilities & Capital	\$	<u><u>11,199,712.70</u></u>

Jefferson County IDA
Miscellaneous Receivables
As of Apr 30, 2023

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

Customer ID Customer Bill To Contact Telephone 1	Invoice/CM	0 - 30	31 - 60	61 - 90	Over 90 days	Amount Due
CONVALT	3669				27,486.30	27,486.30
CONVALT ENERGY. LLC	3833				1,330.60	1,330.60
	3849			2,426.50		2,426.50
	3847		1,741.60			1,741.60
	3855	379.50				379.50
CONVALT		379.50	1,741.60	2,426.50	28,816.90	33,364.50
CONVALT ENERGY. LLC						
FELT MILLS	3852		82,500.00			82,500.00
31606 FELT MILLS						
FELT MILLS			82,500.00			82,500.00
31606 FELT MILLS						
YMCA	3853	6,233.69				6,233.69
YMCA						
EX DIRECTOR DENISE YOUNG						
YMCA		6,233.69				6,233.69
YMCA						
Report Total		6,613.19	84,241.60	2,426.50	28,816.90	122,098.19

Jefferson County IDA
Cash Receipts Journal
For the Period From Apr 1, 2023 to Apr 30, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Date	Account ID	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
4/5/23	125001 100001	3461	Invoice: 3851 CLAYTON ISLAND TOURS, LLC	600.00	600.00
4/5/23	125001 100001	2202	Invoice: 3811 JEFFERSON COUNTY INDUSTRIAL	3,618.50	3,618.50
4/5/23	125001 100001	1253	Invoice: 3799 JEFFERSON COUNTY INDUSTRIAL	2,007.25	2,007.25
4/6/23	127003 416003 103003	1032	Invoice: 3698 4/23 INTEREST PINK KETTLE, LLC	468.01	383.33 84.68
4/6/23	127003 416003 103003	7107	Invoice: 3281 4/23 INTEREST THE SCRUB HUB	352.06	349.14 2.92
4/6/23	127003 416003 103003	1270	Invoice: 3411 2/23 INTEREST COLLEEN'S CHERRY TREE INN	250.60	152.79 97.81
4/6/23	127003 416003 103003	154	Invoice: 3621 4/23 INTEREST THERARTPY	190.64	161.43 29.21
4/6/23	202702 205602 100001	ACH	DUE RLF DUE SHLDC CONVALT ENERGY. LLC	2,625.00	2,125.00 500.00
4/13/23	202704 202702 100001	48058	DUE NCA DUE JCIDA LCO DESTINY, LLC	7,178.24	2,460.43 4,717.81
4/13/23	127003 416003 416103 103003	0000995090	Invoice: 1354 3/23 INTEREST 3/23 LATE FEE TASTE OF DESIGN	285.00	212.53 55.82 16.65
4/13/23	127003 416003 103003	1564	Invoice: 3394 4/23 INTEREST R.L.GOULD & SON, LLC	750.30	702.01 48.29
4/19/23	207005 205602 100001	19717	DUE MICRO DUE SHLDC PAINFULL ACRES	989.37	565.35 424.02
4/19/23	125001 100001	30417	Invoice: 3854 NORTH AMERICAN TAPES LLC	2,500.00	2,500.00
4/19/23	415002 120102	7928	4/23 INTEREST CONVALT ENERGY. LLC	2,125.00	2,125.00
4/19/23	126002 415002 120102	7925	Invoice: 3844 4/23 INTEREST LCO DESTINY, LLC	4,717.81	3,676.14 1,041.67
4/20/23	127003 416003 103003	7932	Invoice: 3274 4/23 INTEREST PAI_10_L ACRES	565.35	503.22 62.13

Jefferson County IDA
Cash Receipts Journal
For the Period From Apr 1, 2023 to Apr 30, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Date	Account ID	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
4/20/23	127003	4124	Invoice: 3282		739.32
	416003		3/23 INTEREST		15.53
	103003		THOUSAND ISLANDS AREA	754.85	
			HABITAT FOR HUMAN		
4/20/23	127003	4128	Invoice: 3282		742.40
	416003		4/23 INTEREST		12.45
	103003		THOUSAND ISLANDS AREA	754.85	
			HABITAT FOR HUMAN		
				<u>30,732.83</u>	<u>30,732.83</u>

April 30, 2023

Total MICRO Receivables

Jefferson County Industrial Development Agency
Revolving Loan Fund Receivables
April 30, 2023

	Recipient	Date Issued	Loan Amount	Current Balance	Payment Amount	Current Status	Purpose of Loan
	Convalt	07/13/22	\$850,000.00	\$850,000.00	\$2,625.00	Current	Participation (SHLDC) Bridge loan
	JCIDA	08/01/21	\$2,000,000.00	700,000.00	\$0.00	Current	146 Arsenal Remediation
	LCO Destiny	02/06/23	\$250,000.00	246,323.86	\$7,178.24	Current	Working Capital
	MLR, LLC	07/01/07	\$250,000.00	66,164.74	\$1,307.83	Current	Expand Warehouse
	RBM Manufacturing	11/22/19	\$400,000.00	362,582.18	\$7,187.48	Default	Working Capital Additional 11/2020
	Total RLF Receivables		\$3,750,000.00	\$2,225,070.78		-	

Jefferson County IDA
Cash Disbursements Journal
For the Period From Apr 1, 2023 to Apr 30, 2023

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
4/1/23	7921	200001 100001	Invoice: 2385 JEFF COUNTY LDC	58,939.58	58,939.58
4/6/23	7922	200001 200001 100001	Invoice: 17024-3/23 Invoice: 45147-3/23 NATIONAL GRID	1,895.22 2,208.72	4,103.94
4/6/23	7923	200001 200001 100001	Invoice: 0011-3/23 Invoice: 1851-3/23 CITY OF WATERTOWN COMPTROLLER	268.89 43.38	312.27
4/12/23	7924	200001 100001	Invoice: 216072 BOWERS & COMPANY, CPAs PLCC	20,700.00	20,700.00
4/13/23	7925	200001 100001	Invoice: 4/23 LCO DESTINY JEFFERSON COUNTY INDUSTRIAL	4,717.81	4,717.81
4/13/23	7926	200001 100001	Invoice: 4/23 LCO DESTINY NORTH COUNTRY ALLIANCE	2,460.43	2,460.43
4/18/23	7927	200001 200001 100001	Invoice: 23-341 Invoice: 23-340 BERNIER, CARR & ASSOCIATES, P.C.	379.50 6,802.06	7,181.56
4/18/23	7928	200001 100001	Invoice: 4/23 CONVALT JEFFERSON COUNTY INDUSTRIAL	2,125.00	2,125.00
4/18/23	7929	200001 100001	Invoice: 4/23 CONVALT SACKETS HARBOR LDC	500.00	500.00
4/18/23	7931	200001 100001	Invoice: 4/23 PAINFULL SACKETS HARBOR LDC	424.02	424.02
4/18/23	7932	200001 100001	Invoice: 4/23 PAINFULL JEFFERSON COUNTY INDUSTRIAL	565.35	565.35
Total				102,029.96	102,029.96

- ☐ **Tax Exempt Bond Financing**
- ☐ **Taxable Bond Financing**
- ☐ **Lease Leaseback Transaction**

-15-

Fee Schedule

Updated as of the date of the document

Taxable and Tax Exempt Industrial Development Revenue Bonds

Application Fee:	A non-refundable fee of \$2,500.00 is payable to the JCIDA at the time the application is submitted. This fee will be credited towards the total fee at closing.
Fee:	First \$10 million – 2% of the principal amount of the bond series. \$10 million - \$20 million – 1% of the bond series. Any amount over \$20 million – 0.5% of the bond series. Annual Fee - \$1,500.00
Point of Contact:	Donald Alexander – CEO JCIDA+1 (315) 782-5865

Lease Leaseback Transactions

Application Fee:	A non-refundable fee of \$2,500.00 is payable to the JCIDA at the time the application is submitted. This fee will be credited towards the total fee at closing.
Fee:	With a PILOT: First \$10 million – 2% Second \$10-\$20 million - 0.5% Any amount over \$20 million - 0.25%
Point of Contact:	No PILOT – 25% of the abatement value Donald Alexander - CEO JCIDA +1 (315)782-5865

Revised Date: _____, Revision #: _____

Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: Convalt Manufacturing LLC
 Applicant Address: 800 Starbuck Avenue, Suite A-15, Watertown, NY 13601
 Phone: +1.212.683.0400 Fax: _____
 Website: www.convalt.com E-mail: hari.achuthan@acoinvestment.com
 Federal ID#: 86-3101751 NAICS: _____
 Will a Real Estate Holding Company be utilized to own the Project property/facility? ☐ Yes or ☒ No
 What is the name of the Real Estate Holding Company: N/A
 Federal ID#: N/A
 State and Year of Incorporation/Organization: Delaware, April 6, 2021
 List of stockholders, members, or partners of Real Estate Holding Company: _____

B) Individual Completing Application:

Name: Hari Achuthan
 Title: Chairman & CEO
 Address: 1185 Avenue of the Americas, 3rd Floor, New York, New York 10036
 Phone: +1.212.683.0400 (o) / +1.917.453.9600 (m) Fax: _____
 E-Mail: hari.achuthan@acoinvestment.com

C) Company Contact (if different from Section B above):

Name: _____
 Title: _____
 Address: _____
 Phone: _____ Fax: _____
 E-Mail: _____

Revised Date: _____, Revision #: _____

Document Date: 11/1/2018

D) Company Counsel:Name of Attorney: Ysabel Metais-TilloyFirm Name: ACO Investment GroupAddress: 1185 Avenue of the Americas, 3rd Floor, New York 13601Phone: +1.212.683.0400

Fax: _____

E-mail: ysabel.mt@acoinvestment.com**E) Identify the assistance being requested of the Agency (select all that apply):**

1. Exemption from Sales Tax ☒ Yes or ☐ No
2. Exemption from Mortgage Tax ☒ Yes or ☐ No
3. Exemption from Real Property Tax ☒ Yes or ☐ No
4. Tax Exempt Financing * ☒ Yes or ☐ No

* (typically for not-for-profits and qualified small manufacturers)

F) Applicant Business Information (check appropriate category):Corporation ☐Partnership ☐Public Corporation ☐Joint Venture ☐Sole Proprietorship ☐Limited Liability Company ☒

Other (please specify) _____

Year Established: 2021State in which Organization is established: Delaware**G) List all Applicant stockholders, members, or partners with % of ownership greater than 20%:**Name% of ownershipPlease see Appendix**H) Applicant Business Description:**

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Solar Panel Manufacturing, Rooftop Solar structure manufacturing
, Energy Storage Manufacturing, EV charger manufacturing

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Estimated % of sales within Jefferson County : 15%

Estimated % of sales outside Jefferson County, but within New York State: 50%

Estimated % of sales outside New York State but within the U.S.: 10%

Estimated % of sales outside the U.S. 25%

(*Percentage to equal 100%)

D) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Jefferson County. Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation including estimated percentage of local purchases.

We expect 20% local procurement until we develop a manufacturing unit for high purity silicon ingots.
We expect to procure steel fabrication locally, motors for tracking systems locally

Section II: Project Description & Details

A) Project Location:

List your current operation(s) locations in Jefferson County:

None but looking to move to Watertown Airport Business Park

List your current operation(s) locations in New York State:

Headquarters in New York City

List the Proposed Project location(s) : Watertown Airport Business Park

Provide the Property Address of the proposed Project:

18572 Route 12F, Dexter, NY 13634

Will the completion of the Project result in the removal, or reduction of an industrial or manufacturing plant of the Applicant from: one area of New York State to Jefferson County; or within Jefferson County?

☐ Yes or No ☒

If Yes, please provide details _____

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Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant located within New York State?

☐ Yes or No ☒

If Yes, please provide details _____

Will the Proposed Project affect Applicant's current operations within Jefferson County to be closed or be subjected to reduced activity?

☐ Yes or No ☒

If Yes, please provide details _____

If Yes to any of the above three (3) questions, Applicant must complete Section II (Q) and Section IV of this Application.

Will the completion of the Project result in the abandonment, removal, or reduction of an industrial or manufacturing plant of a closely aligned competitor from one area of New York State or Jefferson County?

☐ Yes or No ☒

If Yes, please provide details _____

SBL Number for Property upon which proposed Project will be located: _____

What are the current real estate taxes on the proposed Project Site? _____

If amount of current taxes is not available, provide assessed value for each:

Land: \$ _____ Buildings(s): \$ _____

**** If available please include a copy of current tax bill.**

Are Real Property Taxes current? ☒ Yes or ☐ No. If no, please explain _____

Town/City/Village: Hounsfield School District: General Brown

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Does the Applicant or any related entity currently hold fee title to the Project site? ☐ Yes or ☒ No

If No, indicate name of present owner of the Project Site: Jefferson County Industrial Development Authority (JCIDA)

Does Applicant or related entity have an option/contract to purchase the Project site? ☐ Yes or ☒ No

B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility): _____

Please see business plan. The project seeks to develop solar panel manufacturing and also solar power plant generation at the proposed site. The end user will be the company Convalt Energy as the land will be used for the manufacturing plant

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary): _____

The manufacturing costs in Asia especially China are very low. We need all incentives to be able to manufacture with very competitive prices. We face competitors who are supported by Chinese Govt and in order to get our manufacturing costs down, we require these incentives

Please confirm by checking the box, below, if there is a strong possibility that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

☒ Yes or ☐ No

If Yes, please provide details: All of our competitors receive significant amount of subsidies and tax breaks.

It will be impossible for us to setup this manufacturing facility without assistance. Chinese panel manufacturers are subsidized by state, receive zero interest loans, free land, tax breaks and in many cases loan forgiveness.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency: _____

N/A Project cannot work if Agency does not provide incentives.

This project can create 2055 jobs in 10 years, provides for panels to be made in America which supports National Security, reliance on American goods, drive innovation and drive business for suppliers especially

motor manufacturers, fabrication companies, manufacturers of electrical wires and components and supports glass manufacturers.

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If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant? _____

Applicant will not pursue this project if financial assistance is not provided

C) Will Project include leasing any equipment ☐ Yes or ☒ No

If Yes, please describe: _____

D) Site Characteristics:

Describe the present use of the proposed Project site: Unused and empty land

Will the Project meet zoning/land use requirements at the proposed location? ☒ Yes or ☐ No

If Yes, please provide local zoning reference that applies: _____

Describe the present zoning/land use: Multi-use

Describe required zoning/land use, if different: _____

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: _____

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: _____

N/A

Have site plans been submitted to the appropriate planning department?

☐ Yes or ☒ No

** If yes, please provide the Agency with a copy of the related State Environmental Quality Review Act ("SEQR") Environmental Assessment Form that may have been required to be submitted along with the site plan application to the appropriate planning department. Please provide the Agency

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with the status with respect to any required planning department approval: _____

Site currently has sub-division approval as a business park by the town planning board

Has the Project received site plan approval from the planning department? ☐ Yes or ☒ No.

If Yes, please provide the Agency with a copy of the planning department approval along with the related SEQR determination.

E) Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed project site? ☒ Yes or ☐ No If yes, please provide a copy.

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development?

☐ Yes or ☐ No. If yes, please provide copies of the study

G) Provide any additional information or details: _____

H) Select Project Type for all end users at project site (you may check more than one):

** Please check any and all end users as identified below.

** Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in Section IV of the Application.

Retail Sales: ☐ Yes or ☒ No

Services: ☐ Yes or ☒ No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Industrial	<input checked="" type="checkbox"/>	Back Office	<input type="checkbox"/>
Acquisition of Existing Facility	<input type="checkbox"/>	Retail	<input type="checkbox"/>
Housing	<input type="checkbox"/>	Mixed Use	<input type="checkbox"/>
Equipment Purchase	<input type="checkbox"/>	Facility for Aging	<input type="checkbox"/>
Multi-Tenant	<input type="checkbox"/>	Civic Facility (not for profit)	<input type="checkbox"/>
Commercial	<input type="checkbox"/>	Other _____	<input type="checkbox"/>

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D) Project Information:

Estimated costs in connection with Project:

1. Land and/or Building Acquisition: \$ _____
 88 acres _____ square feet
2. New Building Construction: 315,000 square feet \$ 44,000,000
3. New Building Addition(s): _____ square feet \$ _____
4. Infrastructure Work \$ 6,000,000
5. Reconstruction/Renovation: _____ square feet \$ _____
6. Manufacturing Equipment: \$ 42,000,000
7. Non-Manufacturing Equipment (furniture, fixtures, etc.): \$ 8,000,000
8. Soft Costs: (professional services, etc.): \$ 5,229,000
9. Other, Specify: Contingency + Working capital \$ 21,000,000

TOTAL Capital Costs: \$ 126,229,000**Project refinancing; estimated amount
(for refinancing of existing debt only)**

\$ _____

Sources of Funds for Project Costs:Bank Financing: \$ 74,229,000Equity (excluding equity that is attributed to grants/tax credits) \$ 35,000,000

Tax Exempt Bond Issuance (if applicable) \$ _____

Taxable Bond Issuance (if applicable) \$ _____

Public Sources (Include sum total of all state and federal grants and tax credits) \$ _____

Identify each state and federal grant/credit:

Excelsior Job Credits \$ 9,925,000Excelsior Investment Tax Credits \$ 20,075,000

_____ \$ _____

_____ \$ _____

Total Sources of Funds for Project Costs: \$ 139,229,000Revised Date: 4/28/23, Revision #: _____

Have any of the above costs been paid or incurred as of the date of this Application? ☒ Yes or ☒ No

If Yes, describe particulars: Equity paid up via purchase of tools and equipment from SunPower

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ _____

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage Amount as indicated above multiplied by __ %): \$ _____

Construction Cost Breakdown:

Total Cost of Construction \$ 50,000,000 (sum of 2,3,4,5, and/or 7 in Question I, above)

Cost for materials:

% sourced in Jefferson County: 30 %

% sourced in New York State 75 % (including Jefferson County)

List major material suppliers if known _____

Cost for labor: \$ 80 per hour

Expected Full-Time Equivalent Jobs during construction 150

Expected Total Labor Hours during construction 144,000

List major subcontractors, if known _____

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ 39,000,000

Estimated State and local Sales and Use Tax Benefit (product of 8 % multiplied by the figure, above):

\$ 3,120,000

*** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

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Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit: None other

JCIDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section II(I) of the Application.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(I) of the Application.

J) For the proposed facility, please indicate the square footage for each of the uses outlined below:

*If company is paying for FFE for tenants, please include in cost breakdown

	Square Footage	Cost	% of Total Cost of Project
Manufacturing/Processing	215,000	\$22,145,000	63%
Warehouse	65,000	\$6,695,000	19%
Research & Development	10,000	\$1,300,000	4%
Commercial	0	0	0
Retail (see section K)	0	0	0
Office	25,000	\$2,575,000	7%
Specify Other Parking, Utilities	50,000	\$2,500,000	7%

K) What is your project timetable (Provide dates):

1. Start date: acquisition of equipment or construction of facilities: September 2021
2. Estimated completion date of project: September 2030
3. Project occupancy – estimated starting date of operations: December 2021 *1st Qtr. 2024*
4. Have construction contracts been signed? ☐ Yes or ☒ No
5. Has Financing been finalized? ☐ Yes or ☒ No

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****** *If constructions contracts have been signed, please provide copies of executed construction contracts and a complete project budget. The complete project budget should include all related construction costs totaling the amount of the new building construction, and/or new building addition(s), and/or renovation.*

L) Is the proposed Project necessary to expand Applicant employment: ☒ Yes or ☐ No

Is the proposed Project necessary to retain existing employment: ☒ Yes or ☐ No

M) Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon TWO Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon TWO Years after Project Completion **
Full time (FTE)	0	0	350	250
Part Time (PTE)	0	0	50	0
Total ***	0	0	400	300

****** For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes Jefferson County as well as the following Areas:
Jefferson County, Lewis County, Fort Drum

******* By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO-Year time period following Project completion. Agency staff converts PTE jobs into FTE jobs by dividing the number of PTE jobs by two (2). A FTE job is one that works the equivalent of a 40-hour week for 48 weeks. A PTE job is one that works the equivalent of a 20-hour week for 24 weeks.

Note: 2055 FTE jobs are created in 10 years by 2030.

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Salary and Fringe Benefits for Jobs to be Retained and Created:

based on company success, profitability

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	\$300,000	\$200,000
Professional	\$60,000	\$10,000
Administrative	\$45,000	\$5,000
Production	\$50,000	\$10,000
Other	\$40,000	\$5,000

Employment at other locations in County/City/Town/Village: (provide address and number of employees at each location):

	Address	Address	Address
Full time	Watertown Business Park		
Part Time	Watertown Business Park		
Total	Watertown Business Park		

N) Will any of the facilities described above be closed or subject to reduced activity? ☐ Yes or ☒ No

*** If any of the facilities described above are located within the State of New York, and you answered Yes to the question, above, you must complete Section IV of this Application.*

*** Please note that the Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.*

O) Is the proposed Project reasonably necessary to prevent the Applicant from moving out of New York State? ☒ Yes or ☐ No. Out of Jefferson County? ☒ Yes or ☐ No.

If yes, please explain and identify the other locations being investigated, type of assistance offered and provide supporting documentation if available: States like Florida, Texas, Ohio offering attractive incentives

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P) What competitive factors led you to inquire about sites outside of Jefferson County or New York State? _____

Low cost of power, Labor from Fort Drum and Jefferson County, Logistics for domestic and international Land that is needed for power plant development

Q) Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies? ☒ Yes or ☐ No.

Have you applied, or intend to apply for additional Grant Funding, or tax incentives? ☒ Yes or ☐ No.

If yes, please identify which agencies and what other Local, State and/or Federal assistance and the assistance sought and dollar amount that is anticipated to be received: Empire State Development

We have received grant approvals from ESD for Excelsion Job Credits \$9,925,000 and Excelsior ITC \$20,075,000

Section III Retail Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

- A. Will any portion of the Project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

☐ Yes or ☒ No. If the answer is yes, please continue. If no, proceed to section V

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %. If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section V.

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

1. Will the Project be operated by a not-for-profit corporation ☐ Yes or ☒ No.

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2. Is the Project location or facility likely to attract a significant number of visitors from outside the economic development region (list specific County or ED region) in which the project will be located?

☐ Yes or ☒ No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the municipality within which the proposed Project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

☐ Yes or ☒ No

If yes, please provide a third party market analysis or other documentation supporting your response.

4. Will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

☒ Yes or ☐ No.

If yes, explain These are permanent jobs being created in New York in the renewable sector. This sector is new, these jobs dont exist today and we are creating this project to replace fossil fuel power plants and thereby creating new jobs

5. Is the Project located in a Highly Distressed Area? ☒ Yes or ☐ No

Section IV Inter-Municipal Move Determination

The Agency is required by State law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the Applicant from one area of New York State to another area of the State; or in the abandonment of one or more plants or facilities of the Applicant located within the New York State, Agency Financial Assistance is required to prevent the Applicant from relocating out of the New York State, or is reasonably necessary to preserve the Applicant's competitive position in its respective industry.

Explain how the Agency's Financial Assistance is required to prevent the Project from relocating out of New York State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

N/A

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**Section V: Estimate of Real Property Tax Abatement Benefits and Percentage of Project Costs
financed from Public Sector sources**

**** Section V of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
TOTAL							

***Estimates provided are based on current property tax rates and assessment values**

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Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: _____ %

JCIDA will also complete a Cost-Benefit analysis using information contained within this Application, and available to the Public.

Section VI Representations, Certifications and Indemnification

**** This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, JCIDA Staff confirmation that Section I through Section V of the Application are complete.**

Hari Achuthan (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the CEO (title) of Convall Manufacturing LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining

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agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.
- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder

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and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.

- G. **Hold Harmless Provision:** The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.
- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:
- (i) a non-refundable \$2500 application and publication fee (the "Application Fee");
 - (ii) a \$ 0 expense deposit for the Agency's Counsel Fee Deposit. .
 - (iii) Unless otherwise agreed to by the Agency, an amount equal to 0 percent (%) of the total project costs.
 - (iv) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction

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counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.

- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable 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 bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall

Revised Date: _____, Revision #: _____

determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving 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.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or 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 Agency's involvement the Project.
- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) ss.:

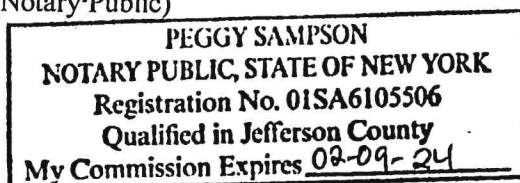
Hari Achuthan, being first duly sworn, deposes and says:

1. That I am the Chairman & CEO (Corporate Office) of Convalt Manufacturing LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

[Signature]
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 28th day of April, 2023.

Peggy Sampson
(Notary Public)



Revised Date: _____, Revision #: _____

Aviagen

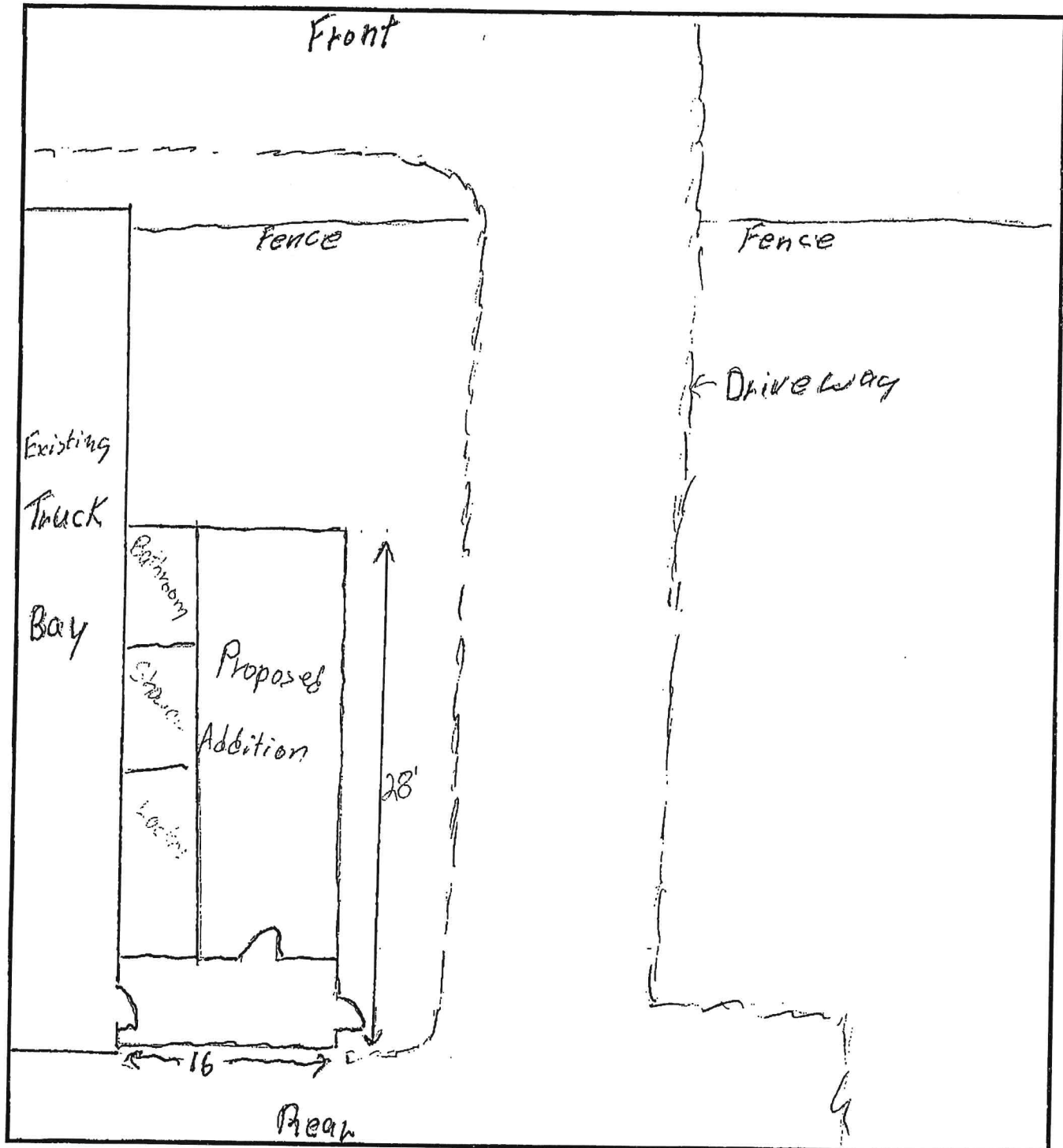
TOWN OF WATERTOWN
APPLICATION FOR ZONING PERMIT

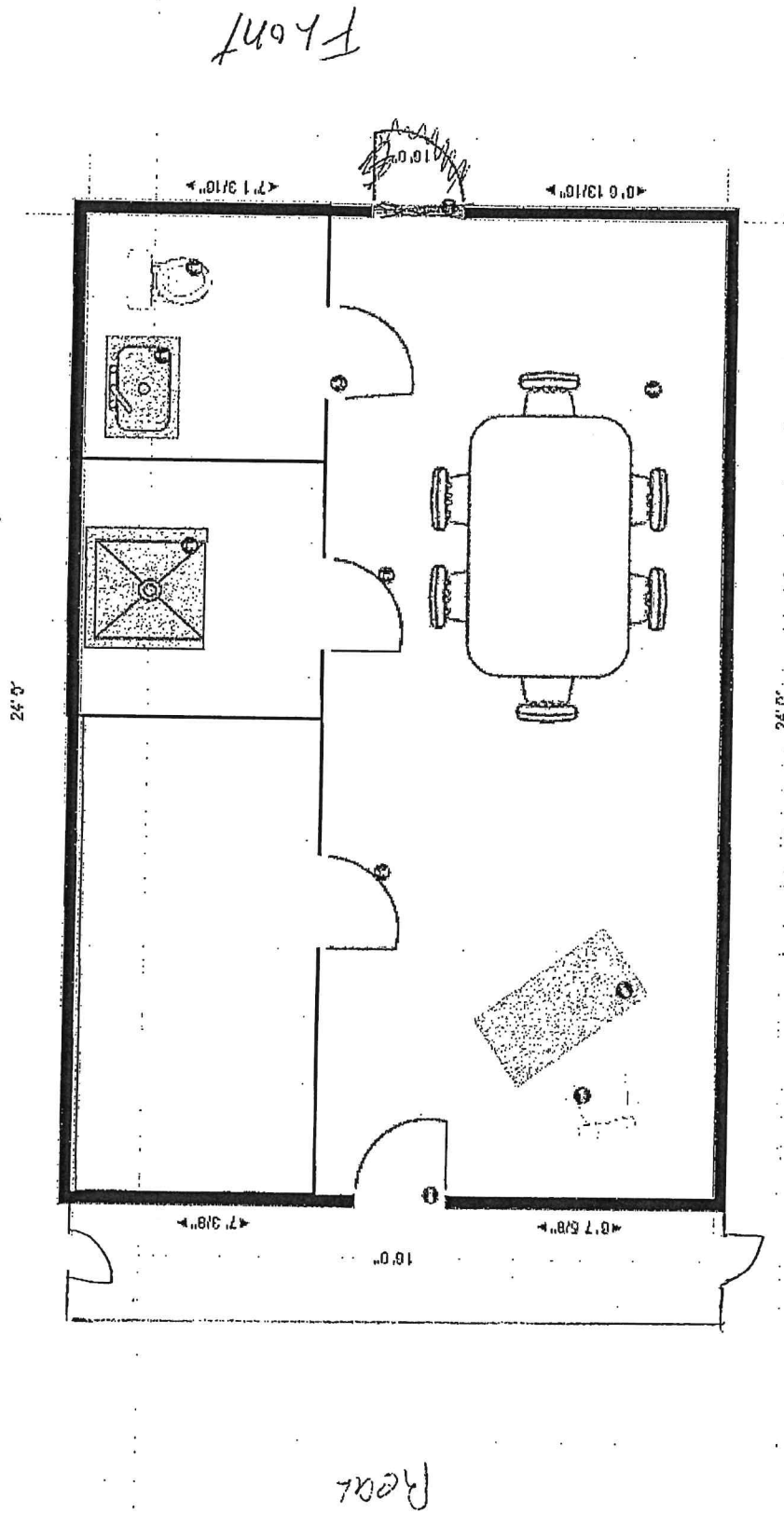
For Zoning Enforcement Officer Use Only:

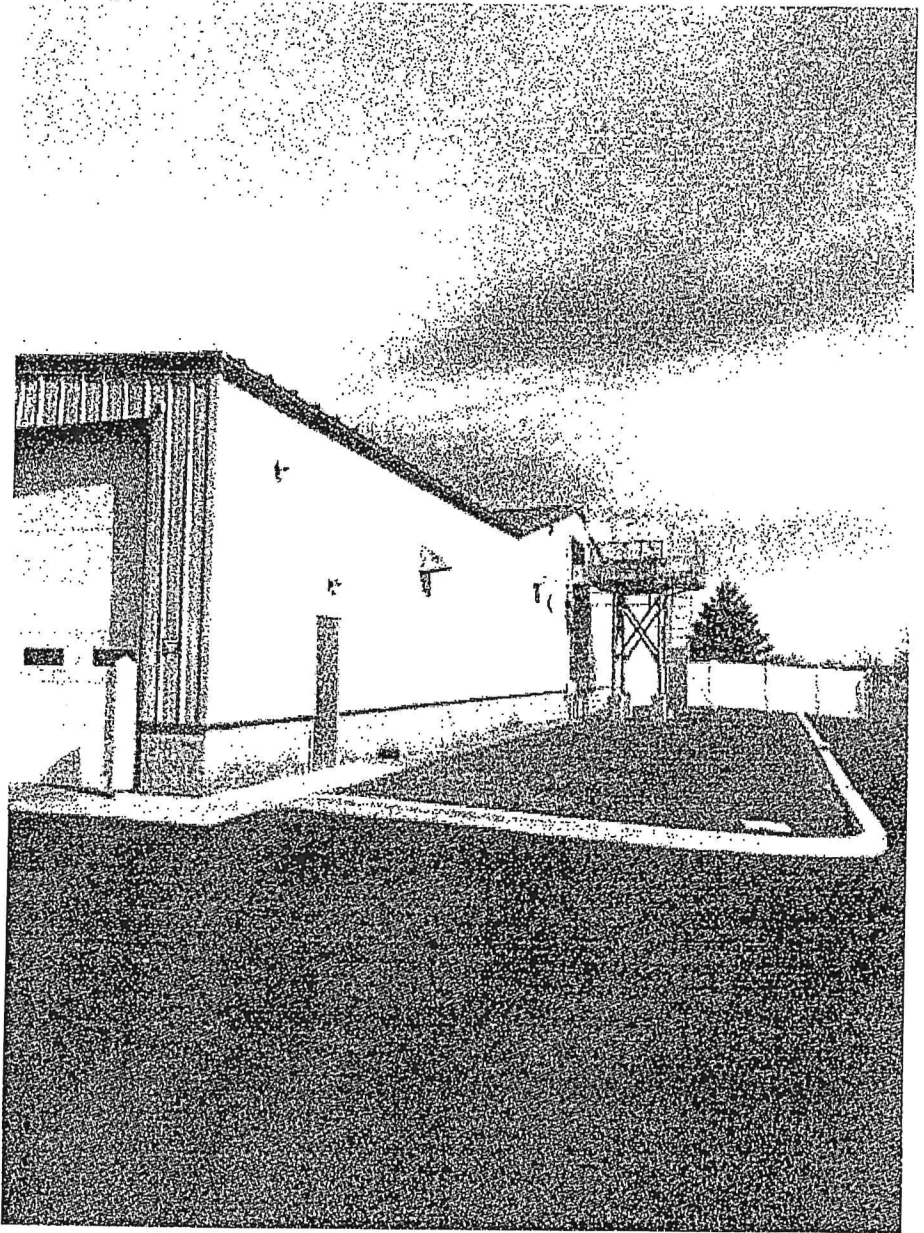
Tax Map Parcel No.: _____ Section _____ Block _____ Lot _____
Application Number: _____

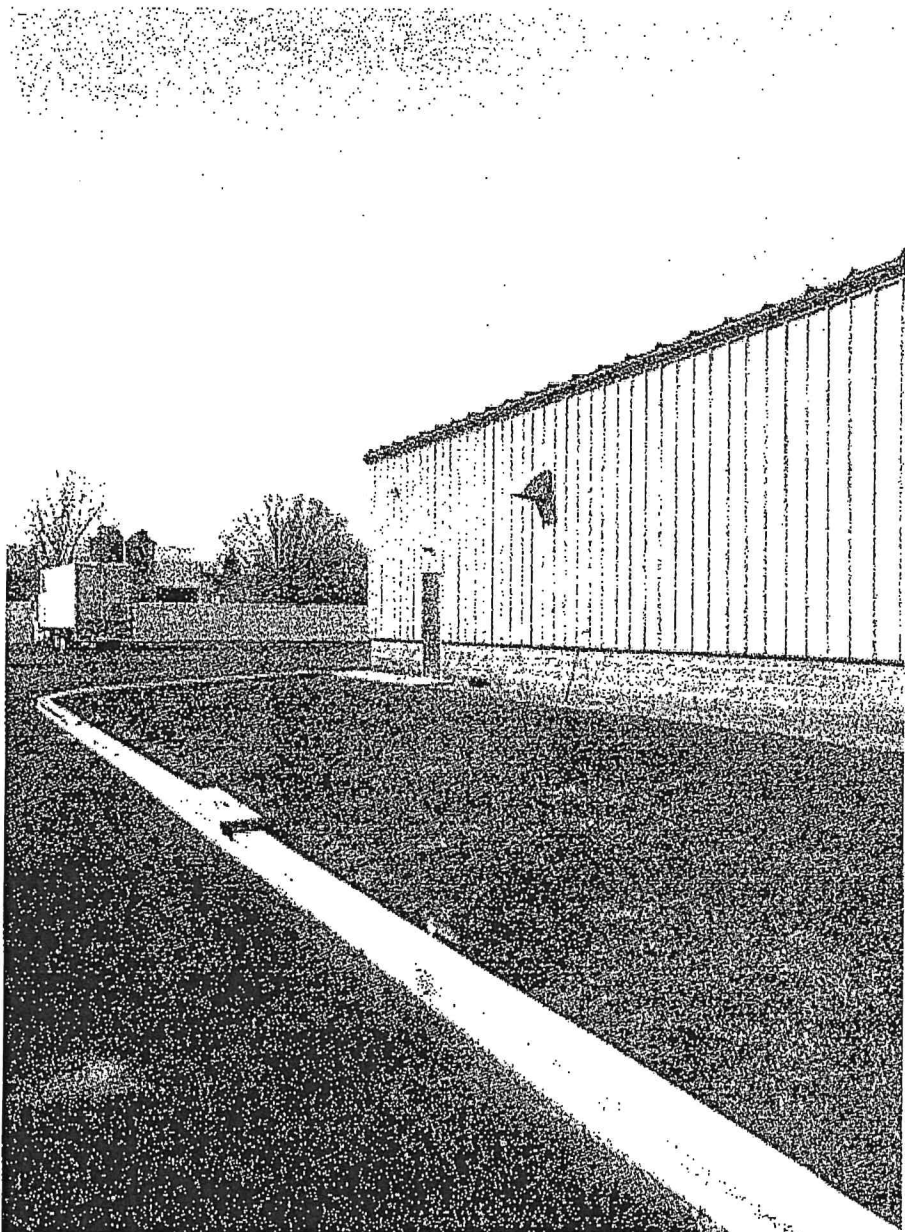
INSTRUCTIONS TO APPLICANT:

Please Use the space below to draw your plot plan. Please make your plot plan correspond to your individual property dimensions. Place and label all existing buildings and identify new construction clearly.











April 27, 2023

David Zembiec
CEO
Jefferson County Industrial Development Authority (JCIDA)
800 Starbuck Avenue
Watertown, NY 13601

Sub: Working Capital – Extension Request

Dear Mr. Zembiec:

Convalt Energy (Convalt) hereby thanks JCIDA and its partner entities for its continued support in the development of the solar manufacturing plant at the Watertown Airport Business Park and providing the working capital line of \$1,050,000. We have lenders waiting on the sidelines ready to start the financing process upon binding agreements signed by our customers.

We hereby request an extension of the working capital line for six (6) months as we are currently in financing for the project which has been delayed for the following reasons:

1. We are in need of the necessary legislative adoptions in Jefferson County for the provision of C-PACE financing for this project
2. We are also awaiting the guidance from IRS for various tax incentives to be provided from the IRA bill that is also delaying the debt financing for the project as the customer contracts are on hold until the guidance is issued by the IRS.

The following are customers who are committing to purchases of modules from our factory via agreements where term sheets are signed and final agreements are expected to be signed in 30 days.

3. Tier 1 US Developer operating in the US with capacity off-take of 1GW per annum
4. Tier 1 European developer operating in the US with capacity off-take of 500MW per annum

Please kindly consider this request as this is necessary for us to continue our operations until we close the debt financing for the factory.

Thanks,



Hari Achuthan

Chairman & CEO

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 05.04.2023.01

**RESOLUTION FOR AUTHORIZING A MODIFICATION TO THE
REVOLVING BRIDGE LOAN TO
CONVALT ENERGY, INC.**

WHEREAS, the \$1,050,000 Participation Bridge Loan for Convalt Energy, Inc. matures on June 1, 2023, and

WHEREAS, Convalt Energy, Inc. has requested a 6-month extension, and

WHEREAS, staff recommends approval of the request effective June 1, 2023, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the modification request and that all terms and conditions of the original loan remain in effect, and be it further,

RESOLVED, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

W. Edward Walldroff
Secretary

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 05.04.2023.02

**RESOLUTION AUTHORIZING A SETTLEMENT OF CERTAIN OUTSTANDING
LOANS PREVIOUSLY ISSUED TO RBM MANUFACTURING CORP.**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, (the "Act"), the JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS the Agency maintains and administers a certain revolving loan program for qualified applicants and projects (the "Loan Fund"); and

WHEREAS, the Agency previously approved a certain \$200,000.00 loan to RBM Manufacturing Corp. ("RBM"), and on or about November 22, 2019, RBM executed a Note in favor of the Agency in the original principal amount of \$200,000.00 (the "Note"); and

WHEREAS, the Agency also previously approved an increased loan amount totaling \$400,000.00, pursuant to which RBM and the Agency entered into an Allonge, effective November 5, 2020, increasing the principal loaned under the Note to \$400,000.00 and extending the maturity date under the Note to November 1, 2026 (the "\$400,000 Allonge", and collectively with the Note, the "Loan"); and

WHEREAS, at the request of RBM, the Agency previously authorized and entered into an Allonge, effective April 7, 2022, providing for a six (6) month moratorium on principal payments commencing with the March 1, 2022 payment until September 1, 2022, when regular principal and interest payments shall commence again, and extending the maturity date under the Note to May 1, 2027; and

WHEREAS, the Loan was secured by, inter alia, two (2) Unlimited Continuing Guaranty Agreements executed by Richard C. McNeely, III and Rhonda M. McNeely (the "Guarantors"), each dated on or about November 22, 2019 (collectively, the "Guarantees"); and

WHEREAS, RBM has closed its business and as of February 1, 2023, the amount owed to the Agency under the Loan was \$362,582.18, outstanding interest of \$2,672.67, late fees in the amount of \$2,213.46, plus accruing interests, attorneys' fees, costs and disbursements (the "Indebtedness"); and

WHEREAS, the Agency has demanded payment of the Indebtedness from RBM and the Guarantors, however RBM remains in default under the terms of the Loan and the Guarantors are in default under the terms of the Guarantees; and

WHEREAS, Guarantor Richard McNeely has agreed to pay a settlement of \$200,000, plus attorney fees, to the Agency in full satisfaction of the Loan and to settle all disputes; and

WHEREAS, the Agency desires to authorize the settlement of the defaulted Loan, all pursuant to the terms contained herein.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Agency that it herein approves the settlement amount of \$200,000, plus attorneys' fees (the "Settlement Payment") and be it further,

RESOLVED, upon receipt of the Settlement Payment by the Agency, the Agency authorizes the execution and delivery of a Settlement Agreement (the "Settlement Agreement") to release and forever discharge RBM and the Guarantors from any and all claims related to the Loan; and be it further,

RESOLVED, that the Chairman, Vice Chairman and/or Chief Executive Officer (or Deputy Chief Executive Officer) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Settlement Agreement and related documents with such changes as shall be approved by the Chairman, Vice Chairman, the Chief Executive Officer and counsel to the Agency upon execution; and be it further,

RESOLVED, that upon receipt of the Settlement Payment and full execution of the Settlement Agreement, the Agency hereby authorizes all necessary revisions and amendments to the Agency's balance sheet and Loan Fund to reflect the within settlement, including the write down of the Indebtedness reflecting unpaid amounts of the Loan, along with any corresponding adjustments to loss contingencies; and be it further,

RESOLVED, that the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency; and be it further,

RESOLVED, that these Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Robert E. Aliasso, Jr.				
David J. Converse				
John Condino				
William W. Johnson				
Lisa L'Huillier				
W. Edward Walldroff				
Paul J. Warneck				

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) ss:

I, the undersigned (Acting) Secretary of the Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the "Agency") including the resolution contained therein, held on May 4, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this ____ day of _____, 2023.

W. Edward Walldroff, (Acting) Secretary

[SEAL]

Jefferson County Industrial Development Agency
 800 Starbuck Avenue, Suite 800
 Watertown, NY 13601
 (315) 782-5865

2023 Board Attendance

Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Aliasso, Robert	P	P	Zoom	P								
Condino, John	P	P	P	E								
Converse, David	P	P	P	P								
Johnson, William	E	P	P	E								
L'Huillier, Lisa	P	P	P	P								
Waldroff, W. Edward	P	P	P	P								
Warneck, Paul	P	P	P	P								
Totals:	6	7	6	5								
P - Present												
E - Excused												
A - Absent												