

**MONTREIGN OPERATING COMPANY, LLC (THE "COMPANY")
APPROVING RESOLUTION**

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on January 8, 2018, at 11:00 a.m., local time, at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

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

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[√]	[]
Suzanne Loughlin	[]	[√]
Sean Rieber	[√]	[]
Edward T. Sykes	[√]	[]
Howard Siegel	[√]	[]
Scott Smith	[√]	[]
Paul Guenther	[]	[√]
Joseph Perrello	[√]	[]
Carol Roig	[√]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director
 Steve White, Chief Executive Officer
 Julio Garaicoechea, Project Manager
 Walter F. Garigliano, Agency General Counsel

The following resolution was duly offered by Howard Siegel, and seconded by Edward T. Sykes to wit:

Resolution No. 01 - 18

RESOLUTION OF THE AGENCY ACKNOWLEDGING A CONSERVATION EASEMENT ON CERTAIN TAX PARCELS LEASED BY THE COMPANY FOR THE PROJECT AND ON WHICH THE AGENCY HAS A LEASEHOLD AND MORTGAGE INTEREST; AND AUTHORIZING THE EXECUTION AND DELIVERY OF MORTGAGE AND/OR LEASEHOLD SUBORDINATION AGREEMENTS AND RELATED DOCUMENTS, AS NECESSARY, TO EFFECTUATE THE SUBORDINATION TO THE CONSERVATION EASEMENT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 560 of the Laws of 1970 of the State of New York, (hereinafter collectively called the "Act"), 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, civic, research, and recreational facilities as authorized by the Act, and enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, on or about September 5, 2014, the Agency closed a lease/leaseback transaction, since amended, with the Company consisting of: (i) the acquisition by the Agency of a leasehold interest or other interest in certain property located at Joyland Road and Thompsonville Road in the Town of Thompson ("Town"), County of Sullivan ("County"), State and being more particularly identified as all or part of tax map numbers 23-1-52.1 and 23-1-48.1 (f/k/a 23-1-11.3, 23-1-48, 23-1-52 (portion), 23-1-53 (portion), 23-1-54.1, 23-1-54.2 (portion), 23-1-54.3 (portion)) and containing in the aggregate approximately 186 acres ("Land"), (ii) the construction and equipping on the Land a "Casino Resort", which will consist of, among other things, a casino, hotel, banquet event center, restaurants, support buildings and structured and surface parking and related facilities and amenities (collectively, the "Improvements"), and (iii) the acquisition in and around the Land and the Improvements of certain items of equipment and other tangible personal property ("Equipment," and collectively with the Land and the Improvements, the "Facility" or "Project"); and

WHEREAS, the Company sub-leases certain property including the Land to the Agency pursuant to that certain Amended and Restated Lease to Agency dated as of October 1, 2015, among the Company, Monticello Raceway Management, Inc. ("MRMI") and the Agency, as assigned and amended by that certain Omnibus Assignment and Assumption Agreement dated as of November 21, 2016, by and among MRMI, The Company and the Agency and further amended by that certain Omnibus Amendment to Project Documents, dated as of January 19, 2017, between the Company and the Agency (as amended, and as may be further amended, the "Agency Lease") a memorandum of which was recorded in the Office of the Sullivan County Clerk on April 28, 2016, which memorandum was amended pursuant to that certain Amended Memorandum of Amended and Restated Lease to Agency, dated as of January 19, 2017, and recorded in the Office of the Sullivan County Clerk on February 14, 2017 as Instrument #2017-1247.

WHEREAS, the Agency sub-sub-leases certain property including the Land back to the Company pursuant to that certain Amended and Restated Leaseback to Company dated as of October 1, 2015, among the Company, MRMI and the Agency, as assigned and amended by that certain Omnibus Assignment and Assumption Agreement dated as of November 21, 2016, by and among MRMI, the Company and the Agency and further amended by that certain Omnibus Amendment to Project Documents, dated as of January 19, 2017, between the Company and the Agency (together, the "Agency Leaseback"), a memorandum of which was recorded in the Office of the Sullivan County Clerk on April 28, 2016, which memorandum was amended pursuant to that certain Amended Memorandum of Amended and Restated Leaseback to Company, dated as of January 19, 2017, and recorded in the Office of the Sullivan County Clerk on February 14, 2017 as Instrument #2017-1248.

WHEREAS, certain portions of the Land are subject to a certain Amended and Restated Master Declaration of Covenants, Conditions, Easements and Restrictions, dated December 28, 2015, which is recorded in the Office of the Sullivan County Clerk as Instrument #2016-1500, as

amended by that certain First Amendment to Amended and Restated Master Declaration of Covenants, Conditions, Easements and Restrictions, dated January 19, 2017, which is recorded in the Office of the Sullivan County Clerk as Instrument #2017-1246 (the "Master Declaration") governing use of property including the Land, provides that a perpetual easement shall be granted on, over, upon, across and through certain property, including certain portions of the Land, for the benefit of a conservation organization and the public; and

WHEREAS, in accordance with the Master Declaration, special condition L of the United States Army Corps of Engineers wetland fill permit issued for the Project (NAN-2012-00837), and consistent with the prior understanding of the Agency, the property owner and Conservation Easement holder intend to execute a Conservation Easement burdening the certain portions of the Land, dated _____ which shall be recorded in the Office of the Sullivan County Clerk (the "Conservation Easement"); and

WHEREAS, the parties, including the Agency, have agreed that the Lease shall be subordinate to the Conservation Easement; and

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

Section 1. The Agency hereby consents to the encumbrance of the Land by the Conservation Easement.

Section 2. The Agency's mortgage and/or leasehold interest shall be subject to and subordinate to the terms of the Conservation Easement.

Section 3. The Chief Executive Officer, Chairman and/or Vice Chairman of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any and all documents reasonably contemplated by these resolutions or required by any to effectuate the previously contemplated Conservation Easement; and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chief Executive Officer, Chairman and/or Vice Chairman of the Agency shall approve, the execution thereof by the Chief Executive Officer, Chairman and/or Vice Chairman of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 4. 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.

Section 5. These Resolutions shall take effect immediately.

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

Ira Steingart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Suzanne Loughlin	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Rieber	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Edward T. Sykes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Howard Siegel	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Scott Smith	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Paul Guenther	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Joseph Perrello	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Carol Roig	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.

STATE OF NEW YORK :
 :SS
 COUNTY OF SULLIVAN :

I, the undersigned (Assistant) Secretary of the Agency DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the Agency with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.
2. Such resolution was passed at a meeting of the Agency duly convened in public session on the 8th day of January, 2018 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[<input checked="" type="checkbox"/>]	[]
Suzanne Loughlin	[]	[<input checked="" type="checkbox"/>]
Sean Rieber	[<input checked="" type="checkbox"/>]	[]
Edward T. Sykes	[<input checked="" type="checkbox"/>]	[]
Howard Siegel	[<input checked="" type="checkbox"/>]	[]
Scott Smith	[<input checked="" type="checkbox"/>]	[]
Paul Guenther	[]	[<input checked="" type="checkbox"/>]
Joseph Perrello	[<input checked="" type="checkbox"/>]	[]
Carol Roig	[<input checked="" type="checkbox"/>]	[]

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

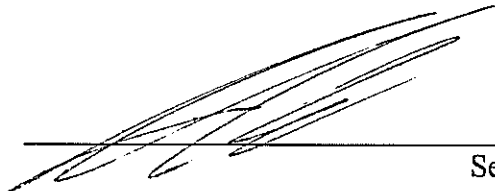
Ira Steingart	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Suzanne Loughlin	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain
Sean Rieber	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain
Joseph Perrello	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain

and therefore, the resolution was declared duly adopted.

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I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 8th day of January, 2018.


Secretary