

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on October 20, 2025 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 Howard A. Siegel and, upon the roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Howard A. Siegel	[√]	[]
Kathleen Lara	[√]	[]
Philip Vallone	[√]	[]
Scott Smith	[√]	[]
Paul Guenther	[]	[√] on Zoom
Sean Brooks	[√]	[]
Ira Steingart	[√]	[]
Joseph Perrello	[]	[√]
Edward T. Sykes	[√]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director

Ira Steingart, Chief Executive Officer

Julio Garaicoechea, Project Manager

Bethanii Padu, Economic Development Coordinator

Walter F. Garigliano, Agency General Counsel

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

Resolution No. 34 - 25

***RESOLUTION AUTHORIZING, APPROVING AND
CONSENTING TO THE EXECUTION AND DELIVERY BY
THE AGENCY'S CHAIRMAN, CHIEF EXECUTIVE OFFICER
OR EXECUTIVE DIRECTOR OF A TERMINATION OF THE
VERIA LIFESTYLE INC. ("COMPANY") WELLNESS CENTER
PILOT AGREEMENT AND WELLNESS CENTER PROJECT***

WHEREAS, the Agency was created by Chapter 560 of the Laws of 1970 of the State of New York, as amended pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, on August 25, 2015, the Company presented an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the (a) 131 room wellness center resort with amenities including, but not limited to diagnostic, holistic treatment, educational components and various

exercise facilities (“Building”); (b) an 18 hole championship golf course; (c) an indoor swimming pool; and (d) a museum celebrating natural wellness, nature cure and Ayurveda practices on currently vacant parcels comprising 391 acres and identified on the Town tax map as Section 9, Block 1, Lots 1.1, 1.2 and 7 (“Wellness Center Land”) located along Anawana Lake Road in the County, State; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery and equipment (“Equipment”); (iii) construction of improvements to the Building, the Wellness Center Land and the Equipment (collectively, the Building, the Wellness Center Land and the Equipment are referred to as the “Wellness Center Project”); and (iv) lease of the Wellness Center Project from the Agency to the Company; and

WHEREAS, on or about October 1, 2015, the Agency and the Company entered into an:

1. Agent Agreement; and

WHEREAS, on or about April 1, 2016, the Agency and the Company entered into the following:

2. Lease to Agency and memorandum thereto;
 3. Leaseback to Company and memorandum thereto; and
 4. Payment in Lieu of Tax Agreement (“2016 Wellness Center PILOT”);
- Items 1-4 are collectively referred to as the “Wellness Center Transaction Documents”;

and

WHEREAS, on or about April 13, 2020, the Agency and the Company entered into a First Amendment to Payment In Lieu of Taxation Agreement – Wellness Center Project (“First Amendment to 2016 Wellness Center PILOT” and together with the 2016 Wellness Center PILOT, the “Wellness Center PILOT Agreement”) to suspend employment goals for the two employment years October 1, 2019 to September 30, 2020 and October 1, 2020 to September 30, 2021; and

WHEREAS, Article IX of the 2016 Wellness Center PILOT reads as follows:

- “9. Security for Company’s Obligation. The Company shall procure, for the benefit of the Agency, an irrevocable, unconditional letter of credit in form and substance acceptable to the Agency to secure the performance by the Company of its financial obligations under this PILOT Agreement for all PILOT Payment dates from Year 1 through Year 16. The Company shall deliver to the Agency a letter of credit in a an amount equal to 110% of the Agency’s estimate of the Year 1 PILOT Payment on or before the February 1 immediately following the anticipated Year 1 PILOT Payment date with a term to expire not earlier than the following February 28. On each February 1st thereafter that this PILOT Agreement is in effect, the Company shall deliver to the Agency a renewal or replacement letter of credit in form and substance acceptable to the Agency in an amount of not less than 110% of the PILOT Payment which is due as of such date. The replacement or renewal letter of credit shall not expire prior to February 28th of the following year.”

; and

WHEREAS, on or about January 6, 2025, the Agency billed the Company for the February 1, 2025 PILOT Payment as contemplated by Section 1.3 of the Wellness Center PILOT Agreement (“2025 PILOT Payment”); and

WHEREAS, a portion of the 2025 PILOT Payment remains unpaid; and

WHEREAS, Section 10(a) of the Wellness Center PILOT Agreement reads in applicable part as follows:

“10. Events of Default. During the term of this PILOT Agreement, the following shall be an event of default:

- (a) The failure to make PILOT Payments within the time allowed for payment, time being of the essence;”;

WHEREAS, Section 11(a) of the Wellness Center PILOT Agreement establishes remedies available to the Agency upon happening of an event of default and reads in applicable part as follows:

“11. Remedies.

- (a) Remedies On Default in Payment; Termination. Upon the happening of an event of default as defined in ¶10(a) hereof, the Agency may immediately terminate this PILOT Agreement without notice to the Company and without prejudice or limitation as to all other rights or remedies herein and/or under law or in equity. Such termination may be accomplished by terminating the Agency’s leasehold interest in the Facility under the Leaseback Agreement, as determined by the Agency and the recording of Memorandums of Termination of Leaseback Agreement and Lease Agreement (“Termination Memorandums”) in the County Clerk's Office shall be deemed to be delivery thereof. The Company hereby appoints the Chief Executive Officer and Chairman, each acting individually, as its attorneys-in-fact for the limited purpose of signing any forms that must necessarily accompany the Termination Memorandums in order for the Termination Memorandums to be recorded. The Company acknowledges that the foregoing appointment is coupled with an interest and is irrevocable.”;

WHEREAS, the Agency has determined it to be in the best interest of the taxing jurisdictions to terminate the Wellness Center PILOT Agreement and the Wellness Center Project as hereinafter provided.

NOW, THEREFORE, BE IT RESOLVED,

Section 1. The Agency hereby terminates the Wellness Center PILOT Agreement and the Wellness Center Project effective at twelve noon on October 27, 2025 (“Effective Time”), unless the unpaid 2025 PILOT Payment in the amount of \$469,085.30 (“2025 PILOT Arrears”) is paid prior to the Effective Time.

Section 2. The Executive Director of the Agency is hereby authorized, empowered and directed, on behalf of the Agency, to notify the Company that the Wellness Center

PILOT Agreement and Wellness Center Project have been terminated at the Effective Time unless the 2025 PILOT Arrears are paid by the Effective Time.

Section 3. The Chairman or Chief Executive Officer, each acting individually, are hereby authorized, empowered and directed, on behalf of the Agency, to execute, deliver and record (as the case may be) Termination Memorandums to effectively terminate the Lease to Agency and Leaseback to Company in the records of the Sullivan County Clerk.

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:

Howard A. Siegel	☒ Yes	☐ No	☐ Absent	☐ Abstain
Kathleen Lara	☒ Yes	☐ No	☐ Absent	☐ Abstain
Philip Vallone	☒ Yes	☐ No	☐ Absent	☐ Abstain
Scott Smith	☒ Yes	☐ No	☐ Absent	☐ Abstain
Paul Guenther	☐ Yes	☐ No	☒ Absent	☐ Abstain
Sean Brooks	☒ Yes	☐ No	☐ Absent	☐ Abstain
Ira Steingart	☒ Yes	☐ No	☐ Absent	☐ Abstain
Joseph Perrello	☐ Yes	☐ No	☒ Absent	☐ Abstain
Edward T. Sykes	☒ Yes	☐ No	☐ Absent	☐ Abstain

The resolution was thereupon duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

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

1. I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("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 October 20, 2025 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>
Howard A. Siegel	[☒]	[]
Kathleen Lara	[☒]	[]
Philip Vallone	[☒]	[]
Scott Smith	[☒]	[]
Paul Guenther	[]	[☒] on Zoom
Sean Brooks	[☒]	[]
Ira Steingart	[☒]	[]
Joseph Perrello	[]	[☒]
Edward T. Sykes	[☒]	[]

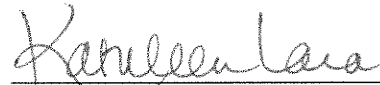
3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Howard A. Siegel	[☒] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[☒] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[☒] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[☒] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[☒] Absent	[] Abstain
Sean Brooks	[☒] Yes	[] No	[] Absent	[] Abstain
Ira Steingart	[☒] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[] Yes	[] No	[☒] Absent	[] Abstain
Edward T. Sykes	[☒] Yes	[] No	[] Absent	[] Abstain

and therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103(a) 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 103(a) 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 20th day of October, 2025.

A handwritten signature in cursive script, appearing to read "Kathleen Lara", is written over a horizontal line.

Kathleen Lara, Secretary