

Bostwick Labs Consent Resolution

A meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 1550 Franklin Avenue, Suite 235, Mineola, County of Nassau, New York, on March 9, 2011, at 8:30 a.m., local time.

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

PRESENT:

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| Jeffrey L. Seltzer | Chairman |
| Louis G. Savinetti | Vice Chairman |
| Gary Weiss | Secretary |
| Christopher Fusco | Asst. Secretary |

ABSENT:

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| Bruce Ungar | Treasurer |
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THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

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| Joseph J. Kearney | Executive Director |
| Joseph Foarile | Chief Financial Officer |
| Colleen Pereira | Administrative Director |
| Mary Dolan Grippo | Chief Marketing Director |
| Edward Ambrosino, Esq. | General Counsel |
| Paul O'Brien, Esq. | Bond/Transaction Counsel |

The attached resolution no. 2011-07 was offered by G. Weiss, seconded by L. Savinetti:

Resolution No. 2011-07

RESOLUTION OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING CERTAIN MATTERS IN CONNECTION WITH ITS STRAIGHT-LEASE TRANSACTION WITH BOSTWICK LABORATORIES, INC.

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, on or about September 1, 2006, Bostwick Laboratories, Inc., a corporation incorporated and existing under the laws of the State of Nevada (the "Company"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in parcel of land located at 100 Charles Lindbergh Boulevard, Uniondale, Town of Hempstead, Nassau County, New York (the "Land"), (2) the renovation of an approximately 70,000 square foot building located on the Land, together with related improvements to the Land, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing to constitute a biotechnology laboratory for use by the Company for the diagnosis and treatment of prostate cancer and other urologic conditions (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (but not including special assessments and ad valorem levies) (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Company or such other entity(ies) as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Agency appointed the Company as agent of the Agency to undertake the acquisition, renovation and installation of the Project Facility and the Agency subleased the Project Facility to the Company, all pursuant to the terms and conditions set forth in the Sublease Agreement dated as of March 1, 2007, between the Company and the Agency (as amended, the "Lease"), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, the Company has disclosed to the Agency that it was not in compliance with the Minimum Employment Requirement (as defined in the Lease) as of December 31, 2010 and

has represented that it does not believe it will be in compliance with the Minimum Employment Requirement in 2011; and

WHEREAS, the Company has requested the termination of the Lease and has acknowledged that it is responsible for the full Recapture of Benefits set forth in Section 11.4 of the Lease; and

WHEREAS, based on its partial performance of the Minimum Employment Requirement and due the economic hardship that would be caused by the imposition of the full Recapture of Benefits, the Company has requested that the Agency accept a discounted amount equal to 75% of the full Recapture of Benefits (the "Discounted Recapture Amount"), payable over a period of six (6) months, in satisfaction of the full Recapture of Benefits due under Section 11.4 of the Lease; and

WHEREAS, the Staff of the Agency has reviewed the annual employment report and supporting documentation submitted by the Company for the year ended December 31, 2010 and recommends approval of the termination of the Lease and settlement of the Recapture of Benefits at the Discounted Recapture Amount; and

WHEREAS, the Agency is willing to consent to such request, subject to the terms of this resolution;

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

1. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease.
2. The Agency determines that the Company's request with respect to a previously approved and unchanged Project is a Type II Action pursuant to SEQRA involving "continuing agency administration" which does not involve "new programs or major reordering of priorities that may affect the environment" (6 NYCRR §617.5(c)(20)) and therefore no Findings or determination of significance are required under Article 8 of the New York Environmental Conservation Law.
3. The Agency hereby consents to the termination of the Lease and to the settlement of the Recapture of Benefits with respect to such termination at the Discounted Recapture Amount, payable by the Company over a period of six (6) months. The Chairman, Vice Chairman and Executive Director of the Agency are each hereby authorized to prepare, negotiate, execute, acknowledge and deliver a settlement agreement with the Company (the "Settlement Agreement") that includes the foregoing terms and may include such other or further terms as the Chairman, Vice Chairman or Executive Director may determine are desirable or necessary. The execution and delivery of the Settlement Agreement by any one of said officers shall be conclusive evidence of due authorization and approval.

4. The Chairman, Vice Chairman and Executive Director of the Agency are each hereby designated an Authorized Representative of the Agency and each of them is hereby authorized and directed to execute and deliver any and all consents, agreements, papers, instruments, opinions, certificates, affidavits and other documents required in connection with the Settlement Agreement (collectively, the "Consent Documents"), and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, including, without limitation, taking any necessary action to obtain consent of any other person or party necessary with respect to execution, delivery and approval of the Consent Documents.

5. The authorizations set forth in this Resolution are subject to the condition that the Company shall reimburse the Agency for all costs and expenses incurred by the Agency in connection with the transactions contemplated herein, including, without limitation, the Agency's consent and amendment fees and all reasonable attorneys' fees and disbursements incurred by the Agency.

6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution, the Settlement Agreement and the Consent Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time; provided, however, that no covenants, stipulations, obligations or agreements of the Agency contained in this Resolution, the Settlement Agreement or any Consent Document shall give rise to any pecuniary liability of the Agency or a charge against its general credit or shall obligate the Agency in any way except to the extent that the same can be paid or recovered from the Project Facility or the sale or liquidation of the Project Facility or revenues therefrom.

No covenant, stipulation, obligation or agreement herein contained or contained in the Settlement Agreement or any Consent Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members of the Agency nor any officer executing the Settlement Agreement or any Consent Document shall be liable personally on the Settlement Agreement or the Consent Documents or be subject to any personal liability or accountability by reason of the issuance thereof.

7. The Chairman, Vice Chairman and Executive Director of the Agency are each hereby authorized to approve modifications to the terms approved herein which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by any one of such officers of the Settlement Agreement and/or the Consent Documents containing such modifications.

8. This Resolution shall take effect immediately.

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

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| Jeffrey L. Seltzer | VOTING | Aye |
| Louis G. Savinetti | VOTING | Aye |
| Bruce Ungar | ABSENT | |
| Gary Weiss | VOTING | Aye |
| Christopher Fusco | VOTING | Aye |

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned ^{Asst.} Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 9, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 2nd day of June, 2011.

Stephen S. Fusco
Asst. Secretary

(SEAL)