

## Luxottica Tax Deviation Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, Nassau County, New York, on December 6, 2011, at 5:00 p.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:**

Jeffrey L. Seltzer	Chairman
Gary Weiss	Secretary
Christopher Fusco	Asst. Secretary
Bruce Ungar	Treasurer

**ABSENT:**

**THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:**

Joseph J. Kearney	Executive Director (by phone)
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Nicholas Terzulli	Director of Business Development
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel
Milan Tyler, Esq.	Bond/Transaction Counsel

The attached resolution no. 2011-43 was offered by B. Ungar, seconded by J. Seltzer:

Resolution No. 2011-43

RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM  
TAX EXEMPTION POLICY OF THE NASSAU COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT  
TO A PROJECT FOR LUXOTTICA U.S. HOLDINGS CORP.

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, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Luxottica U.S. Holdings Corp., a corporation duly organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Applicant"), presented an application for financial assistance (the "Application") requesting that the Agency undertake a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an approximately 30,065 square foot portion (the "Premises") of an approximately 122,715 square foot building (the "Building") on a certain parcel of land located at 12 Harbor Park Drive, Port Washington, Town of North Hempstead, County of Nassau, New York (Section: 6; Block: 058; Lot: 103) (the "Land"), (2) the renovation of the Premises, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant and its affiliates as their East Coast headquarters (the Premises and the Equipment being referred to herein, collectively, as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes and sales and use taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or

such other entity as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Application states that the Applicant is seeking an exemption from real property taxes with respect to the Project Facility that constitutes a deviation from the Agency's Uniform Tax Exemption Policy (the "Tax Exemption Policy"); and

WHEREAS, pursuant to Section 874(4) of the Act, the Executive Director of the Agency (A) caused a letter dated November 21, 2011 (the "Pilot Deviation Notice Letter") to be mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on December 6, 2011 (the "IDA Meeting"), consider a proposed deviation from the Tax Exemption Policy with respect to the payment in lieu of taxes agreement to be entered into by the Agency with respect to the Premises; and (B) conducted the IDA Meeting on the date hereof and reviewed any written comments and correspondence received from the affected tax jurisdictions with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 874(4) of the Act with respect to the proposed deviation from the Tax Exemption Policy;

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

Section 1. The Agency hereby determines that the Agency has fully complied with the requirements of Section 874(4) of the Act relating to the proposed deviation from the Tax Exemption Policy.

Section 2. Having reviewed all written comments and correspondence received prior to the IDA Meeting from the affected tax jurisdictions and having heard all comments made at this meeting, the Agency hereby approves the proposed deviation from the Tax Exemption Policy as described in the Pilot Deviation Notice Letter (a copy of which is attached hereto as Exhibit A) because the proposed deviation is necessary to induce the Applicant to undertake the Project and the real property taxes allocable to the Premises would not be decreased below their current levels.

Section 3. The Chairman, Vice Chairman and Executive Director of the Agency are each hereby authorized and directed, acting individually or jointly, to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. If the Agency hereafter adopts appropriate final approving resolutions with respect to the proposed straight-lease transaction with the Applicant (the "Transaction"), the Chairman, Vice Chairman, Executive Director and Administrative Director of the Agency are each hereby authorized and directed, acting individually or jointly, to cause the Agency to (A) enter into a Payment in Lieu of Taxes Agreement with the Applicant providing, among other things, that the Applicant shall make payments in lieu of taxes consistent with the

formula set forth in the Pilot Deviation Notice Letter, and (B) file an application for real property tax exemption with the appropriate assessor(s) with respect to the Premises.

Section 4. This Resolution shall take effect immediately, but is subject to and conditioned upon the closing of the Transaction.

ADOPTED: December 6, 2011

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

Jeffrey L. Seltzer	VOTING	Aye
Gary Weiss	EXCUSED	
Bruce Ungar	VOTING	Aye
Christopher Fusco	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

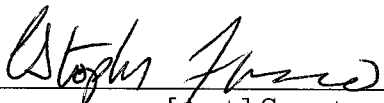
STATE OF NEW YORK                    )  
                                                  )SS.:  
COUNTY OF NASSAU                    )

I, the undersigned (Assistant) Secretary of 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 December 6, 2011 with the original and of such resolution set forth therein and of the whole of such 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 aspects 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 and rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 6<sup>th</sup> day of December, 2011.

  
\_\_\_\_\_  
[Asst.] Secretary

(SEAL)

**EXHIBIT A**

Pilot Deviation Notice Letter

See Attached

EDWARD P. MANGANO  
COUNTY EXECUTIVE



JOSEPH J. KEARNEY  
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.  
1550 FRANKLIN AVENUE, SUITE 235  
MINEOLA, NY 11501  
TELEPHONE (516) 571-1945 FAX (516) 571-1076  
www.nassauida.org  
November 21, 2011

CERTIFIED MAIL, RETURN  
RECEIPT REQUESTED and  
FIRST CLASS MAIL

Supervisor Jon Kaiman  
Town of North Hempstead  
220 Plandome Road  
Manhasset, NY 11030

NOTICE OF PROPOSED DEVIATION FROM  
UNIFORM TAX EXEMPTION POLICY

Dear Supervisor Kaiman:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 6, 2011 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Luxottica U.S. Holdings Corp., a corporation organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Applicant"), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Applicant has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an approximately 30,065 square foot portion (the "Premises") of an approximately 122,715 square foot building (the "Building") on a certain parcel of land located at 12 Harbor Park Drive, Port Washington, Town of North Hempstead,

Doc # 05-407434.3

County of Nassau, New York (Section: 6; Block: 058; Lot: 103) (the "Land"), (2) the renovation of the Premises, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant and its affiliates as their East Coast headquarters (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes and sales and use taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant an approximately fifteen (15) year real property tax exemption (the "Property Tax Exemption") with respect to the Premises with annual payments as follows for the following years of the term of the Property Tax Exemption:

<u>Year</u>	<u>PILOT Payment</u>
1	\$132,228
2	\$132,228
3	\$132,228
4	\$132,228
5	\$132,228
6	\$136,195
7	\$140,281
8	\$144,486
9	\$148,823
10	\$153,292
11	\$157,893
12	\$162,627
13	\$167,506
14	\$172,531
15	\$177,701

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Premises, the payments would be equal to the real property taxes and assessments that would be payable as if the Premises were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.



The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that would otherwise apply with respect to the Premises as of the Closing Date.

Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_

  
Joseph J. Kearney  
Executive Director

EDWARD P. MANGANO  
COUNTY EXECUTIVE



JOSEPH J. KEARNEY  
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.  
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November 21, 2011

CERTIFIED MAIL, RETURN  
RECEIPT REQUESTED and  
FIRST CLASS MAIL

Superintendent Daniel Brenner  
Roslyn Union Free School District  
300 Harbor Hill Road  
Roslyn, NY 11576

NOTICE OF PROPOSED DEVIATION FROM  
UNIFORM TAX EXEMPTION POLICY

Dear Superintendent Brenner:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 6, 2011 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Luxottica U.S. Holdings Corp., a corporation organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Applicant"), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

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fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant and its affiliates as their East Coast headquarters (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes and sales and use taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

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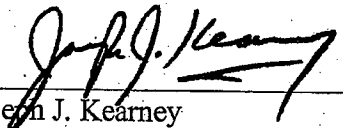
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Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_

  
Joseph J. Kearney  
Executive Director

EDWARD P. MANGANO  
COUNTY EXECUTIVE



JOSEPH J. KEARNEY  
EXECUTIVE DIRECTOR

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November 21, 2011

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RECEIPT REQUESTED and  
FIRST CLASS MAIL

County Executive Edward Mangano  
1550 Franklin Avenue  
Mineola, NY 11501

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Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_

  
Joseph J. Kearney  
Executive Director