



Meeting Agenda – Audit and Finance Committee
 Genesee Gateway Local Development Corp
 Tuesday, May 31, 2022 – 8:30 a.m.
 Location: Electronically

Page #	Topic	Discussion Leader	Desired Outcome
	1. Call To Order – Enter Public Session Governor Kathy Hochul signed legislation (S.50001 / A.40001) on September 2, 2021 extending virtual access to public meetings under NYS’s Open Meetings Law, which allows virtual participation in local government meetings during the COVID-19 pandemic. This meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.	D. Cunningham	
2-5	2. Chairman’s Report & Activities 2a. Agenda Additions / Other Business 2b. Minutes: March 29 & April 5	D. Cunningham	
6-10	3. Discussions / Official Recommendations to the Board: 3a. 1 st Quarter Financial Statements	L. Farrell	Disc / Vote
11-15	3b. April 2022 Financial Statements	L. Farrell	Disc / Vote
16-18	3c. Strategic Investment Funds Analysis	L. Farrell	Discussion
19-22	3d. Audit & Finance Committee Charter	L. Farrell	Disc / Vote
	3e. Committee Self-Evaluation	L. Farrell	Discussion
23-31	3f. Cyber Insurance	L. Farrell	Disc / Vote
32-53	3g. Purchase & Sale Agreement for Ag Park Property	M. Masse	Disc / Vote
	3h. Genesee CARES Update	J. Krencik / M. Zimmerman	Discussion
	4. Adjournment	T. Felton	

GGLDC Audit & Finance Committee Meeting

Tuesday, March 29, 2022

Location – Electronically

3:00 p.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, T. Felton, T. Bender, P. Battaglia
Staff: L. Farrell, M. Masse, L. Casey, J. Krencik, P. Kennett, C. Suozzi, S. Hyde
Guests: M. Gray (GCEDC Board Member), P. Zeliff (GCEDC/GGLDC Board Member), M. Zimmerman (Harrison Studio)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 3:29 p.m. via conference call / video conference.

Governor Kathy Hochul signed legislation (S.50001 / A.40001) on September 2, 2021 extending virtual access to public meetings under NYS's Open Meetings Law, which allows virtual participation in local government meetings during the COVID-19 pandemic. This meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business – Nothing at this time.

2b. Minutes: March 1, 2022

P. Zeliff made a motion to recommend approval of the March 1, 2022 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham – Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. 12/31/21 Audit – David Brownell of Mostert, Manzanero & Scott, LLP reviewed the audit process with the Committee during Executive Session of the GCEDC Audit & Finance Meeting. The management letter states that no material weaknesses in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the

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GGLDC as of December 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

T. Bender made a motion to recommend to the full Board the approval of the 12/31/2021 Audit as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

4a. Enter Executive Session

P. Battaglia made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 3:32 p.m. for the following reasons:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by T. Bender and approved by all members present.

4b. Enter Public Session

P. Battaglia made a motion to enter back into public session at 4:06 p.m., seconded by T. Bender and approved by all members present.

P. Battaglia made a motion to recommend to the full Board the addition of "Release of Loan Collateral" as full Board agenda item 4.2; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

5. ADJOURNMENT

P. Battaglia made a motion to adjourn at 4:08 p.m., seconded by T. Bender and passed unanimously.

GGLDC Audit & Finance Committee Meeting

Tuesday, April 5, 2022

Location – Electronically

8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, T. Felton, T. Bender, P. Battaglia
Staff: L. Farrell, M. Masse, L. Casey, J. Krencik, P. Kennett, C. Suozzi, S. Hyde
Guests: M. Zimmerman (Harrison Studio)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 8:32 a.m. via conference call / video conference.

Governor Kathy Hochul signed legislation (S.50001 / A.40001) on September 2, 2021 extending virtual access to public meetings under NYS's Open Meetings Law, which allows virtual participation in local government meetings during the COVID-19 pandemic. This meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

1a. Executive Session:

T. Bender made a motion to enter executive session at 8:33 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by P. Battaglia and approved by all members present:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 8:55 a.m., seconded by T. Felton and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business – Nothing at this time.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. Genesee CARES Grant Awards-

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Project ID	Applicant	Genesee CARES Business Recovery Fund Award
1	First Wave Technology	\$25,000
2	Sweet Betty's	\$20,000
3	Pro Construction	\$25,000
4	Red Roof Inn	\$25,000
5	Terry Hills	\$75,000
6	La Quinta	\$25,000
7	Hodgins Engraving	\$60,000
8	Rivers Performance	\$10,000
9	Chaps Elba Diner	\$50,000
10	Craft Cannery	\$60,000
11	Sikes Enterprises	\$25,000
12	Caryville Inn	\$25,000
13	Center Street Smokehouse	\$25,000
14	Smokin Eagle BBQ	\$50,000
15	John's Service	\$25,000
16	Alleghany Services	\$60,000
17	Eden Café	\$25,000
18	Copperhead Creek Bar	\$75,000
19	Byron Hotel & Trailhouse	\$50,000
20	Empire Hemp	\$15,000
21	Fava Brothers Lawn Care	\$60,000
22	The Spa at Artemis	\$65,000

T. Felton made a motion to extend grant agreements to the 22 applicants listed above that met Genesee CARES program requirements; the motion was seconded by P. Battaglia. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes
- T. Bender - Yes
- D. Cunningham - Yes

The item was approved as presented.

4. ADJOURNMENT

P. Battaglia made a motion to adjourn at 8:57 a.m., seconded by T. Bender and passed unanimously.

Genesee Gateway Local Development Corp.
Dashboard - For the Three Month Period Ended 3/31/22
Balance Sheet - Accrual Basis

	<u>3/31/22</u>	[Per Audit] <u>12/31/21</u>
<u>ASSETS:</u>		
Cash - Unrestricted	\$ 522,593	\$ 503,196
Cash - Restricted (A)	588,332	588,161
Cash - Reserved (B)	1,407,402	1,447,826
Cash - Subtotal	2,518,327	2,539,183
Grants Receivable (1)	31,237	34,980
Accounts Receivable	5,859	8,059
Loans Receivable - Current Portion	275,855	281,792
Other Current Assets (2)	23,489	10,439
Total Current Assets	2,854,767	2,874,453
Land Held for Dev. & Resale	2,556,367	2,556,367
Buildings & Improvements	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	46,599
Total Property, Plant & Equip.	9,805,086	9,805,086
Less Accumulated Depreciation	(2,202,359)	(2,153,059)
Net Property, Plant & Equip.	7,602,727	7,652,027
Loans Receivable - Noncurrent Portion (Net of \$176,545 Allow for Bad Debt at 3/31/22 and \$201,229 at 12/31/21)	1,063,163	764,495
Equity Investment in Genesee Agri-Business, LLC (3)	2,562,240	2,562,240
Other Assets	3,625,403	3,326,735
Total Assets	14,082,897	13,853,215
<u>LIABILITIES:</u>		
Accounts Payable (4)	956	46,279
Unearned Revenue (5)	40,746	56,571
Security Deposits	109,944	109,944
Loans Payable - Current Portion	83,964	76,328
Bonds Payable - Current Portion	150,686	148,743
Total Current Liabilities	386,296	437,865
Loans Payable - Noncurrent Portion	2,157,148	2,178,456
Bonds Payable - Noncurrent Portion	2,477,432	2,519,445
Total Noncurrent Liabilities	4,634,580	4,697,901
Total Liabilities	5,020,876	5,135,766
EQUITY	\$ 9,062,021	\$ 8,717,449

Significant Events:

1. Grants Receivable - Includes \$10K related to a "Cornell in High School" program that will be partially reimbursed by a WDI grant; OCR Grants will reimburse for qualifying grant consulting services.
2. Other Current Assets - Prepaid D&O, Cyber and General Liability insurance.
3. Equity Investment in Genesee Agri-Business, LLC - ties to corresponding GAB, LLC financial statements.
4. Accounts Payable - Decreased due to 2021 expenses that were paid in 2022.
5. Unearned Revenue - MedTech Centre rent received in advance.

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

Genesee Gateway Local Development Corp.
Dashboard - For the Three Month Period Ended 3/31/22
Profit & Loss - Accrual Basis

	Three Month Period Ended		YTD		2022	2022
	<u>3/31/22</u>	<u>3/31/21</u>	<u>2022</u>	<u>2021</u>	Board Approved <u>Budget</u>	YTD % <u>of Budget</u>
Operating Revenues:						
Grants (1)	\$ 734,000	\$ 50,000	\$ 734,000	\$ 50,000	\$ 932,648	79%
Interest Income on Loans	5,149	4,385	5,149	4,385	19,940	26%
Rent	185,359	180,092	185,359	180,092	738,695	25%
Common Area Fees - Parks	500	500	500	500	500	100%
Fees (2)	9,980	-	9,980	-	-	N/A
Other Revenue	1,023	-	1,023	-	-	N/A
Total Operating Revenues	936,011	234,977	936,011	234,977	1,691,783	
Operating Expenses:						
Operations & Maintenance	36,259	29,632	36,259	29,632	209,801	17%
Professional Services	23,360	22,312	23,360	22,312	162,192	14%
Econ. Dev. Prog. Support Grant	75,000	75,000	75,000	75,000	300,000	25%
Site Development Expense	-	9,250	-	9,250	93,000	0%
Grant Expense (3)	367,000	-	367,000	-	819,648	45%
Real Estate Dev. (Capitalized)	-	100	-	100	15,000	0%
Buildings/Furniture/Equip. (Capitalized)	-	-	-	-	5,000	0%
Balance Sheet Absorption	-	(100)	-	(100)	(20,000)	0%
Depreciation	49,300	48,981	49,300	48,981	197,203	25%
Total Operating Expenses	550,919	185,175	550,919	185,175	1,781,844	
Operating Revenue (Expense)	385,092	49,802	385,092	49,802	(90,061)	
Non-Operating Revenues (Expenses):						
Other Interest Income	593	904	593	904	1,600	37%
Interest Expense	(41,113)	(42,110)	(41,113)	(42,110)	(160,518)	26%
Total Non-Operating Exp.	(40,520)	(41,206)	(40,520)	(41,206)	(158,918)	
Change in Net Assets	344,572	8,596	344,572	8,596	\$ (248,979)	
Net Assets - Beginning	8,717,449	9,898,288	8,717,449	9,898,288		
Net Assets - Ending	\$ 9,062,021	\$ 9,906,884	\$ 9,062,021	\$ 9,906,884		

Significant Events:

1. Grant Revenue - OCR grant supports grant/loan to HP Hood.
2. Fees - Loan origination fees from LNK Holdings and HP Hood.
3. Grant Expense Ops - 50% of OCR grant funds were disbursed to HP Hood as a grant.

Genesee Gateway Local Development Corp.
Dashboard - For the Three Month Period Ended 3/31/22
Statement of Cash Flows

	<u>Three Month Period Ended 3/31/22</u>	<u>YTD</u>
CASH PROVIDED BY OPERATING ACTIVITIES:		
Grant Income	\$ 737,743	\$ 737,743
Interest Income on Loans	11,512	11,512
Rental Income	165,335	165,335
Common Area Fees - Parks	500	500
Fees	9,980	9,980
Other Revenue	1,023	1,023
Operations & Maintenance	(60,289)	(60,289)
Professional Services	(46,263)	(46,263)
Economic Development Program Support Grant	(75,000)	(75,000)
Site Development Expense	(18,943)	(18,943)
Grant Expense	(367,000)	(367,000)
Issuance of Loans	(367,000)	(367,000)
Repayment of Loans	74,269	74,269
Net Cash Provided By Operating Activities	<u>65,867</u>	<u>65,867</u>
CASH FLOWS USED BY CAPITAL & RELATED FINANCING ACTIVITIES:		
Principal Payments on Bonds & Loans	(53,742)	(53,742)
Interest Paid on Bonds & Loans	(33,574)	(33,574)
Net Cash Used By Capital & Related Financing Activities	<u>(87,316)</u>	<u>(87,316)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income	593	593
Net Cash Provided By Investing Activities	<u>593</u>	<u>593</u>
Net Change in Cash	(20,856)	(20,856)
Cash - Beginning of Period	2,539,183	2,539,183
Cash - End of Period	<u>\$ 2,518,327</u>	<u>\$ 2,518,327</u>
RECONCILIATION OF OPERATING REVENUE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ 385,092	\$ 385,092
Adjustments:		
Depreciation Expense	49,300	49,300
Decrease in Grants/Accounts Receivable	5,943	5,943
Increase in Other Current Assets	(13,050)	(13,050)
Increase in Loans Receivable	(292,731)	(292,731)
Decrease Operating Accounts Payable	(52,862)	(52,862)
Decrease in Unearned Revenue	(15,825)	(15,825)
Total Adjustments	<u>(319,225)</u>	<u>(319,225)</u>
Net Cash Provided By Operating Activities	<u>\$ 65,867</u>	<u>\$ 65,867</u>

Genesee Gateway Local Development Corp.
Dashboard - For the Three Month Period Ended 3/31/22
Balance Sheet - Accrual Basis

	GGLDC		GABLLC		COMBINED	
	3/31/22		3/31/22	Eliminations	3/31/22	Per Audit 12/31/2021
ASSETS:						
Cash - Unrestricted	\$ 522,593	\$ -	\$ -	\$ -	\$ 522,593	\$ 503,196
Cash - Restricted ^(A)	588,332	-	-	-	588,332	588,161
Cash - Reserved ^(B)	1,407,402	2,547,029	-	-	3,954,431	3,988,986
Cash - Subtotal	<u>2,518,327</u>	<u>2,547,029</u>	<u>-</u>	<u>-</u>	<u>5,065,356</u>	<u>5,080,343</u>
Grants Receivable	31,237	-	-	-	31,237	34,980
Accts Receivable - Current	5,859	-	-	-	5,859	8,059
Loans Receivable - Current	275,855	-	-	-	275,855	281,792
Other Current Assets	23,489	-	-	-	23,489	10,439
Total Current Assets	<u>2,854,767</u>	<u>2,547,029</u>	<u>-</u>	<u>-</u>	<u>5,401,796</u>	<u>5,415,613</u>
Land & Improvements	2,556,367	1,339,730	-	-	3,896,097	3,896,097
Buildings & Improvements	7,202,120	-	-	-	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	-	-	-	46,599	46,599
Total Property, Plant & Equip.	<u>9,805,086</u>	<u>1,339,730</u>	<u>-</u>	<u>-</u>	<u>11,144,816</u>	<u>11,144,816</u>
Less Accumulated Depreciation	(2,202,359)	-	-	-	(2,202,359)	(2,153,059)
Net Property, Plant & Equip.	<u>7,602,727</u>	<u>1,339,730</u>	<u>-</u>	<u>-</u>	<u>8,942,457</u>	<u>8,991,757</u>
Loans Receivable - Noncurrent	1,063,163	-	-	-	1,063,163	764,495
Equity Investment in GAB, LLC	2,562,240	-	(2,562,240)	-	-	-
Other Assets	<u>3,625,403</u>	<u>-</u>	<u>(2,562,240)</u>	<u>-</u>	<u>1,063,163</u>	<u>764,495</u>
TOTAL ASSETS	<u>14,082,897</u>	<u>3,886,759</u>	<u>(2,562,240)</u>	<u>-</u>	<u>15,407,416</u>	<u>15,171,865</u>
LIABILITIES:						
Accounts Payable	956	-	-	-	956	46,279
Unearned Revenue	40,746	-	-	-	40,746	56,571
Security Deposits	109,944	-	-	-	109,944	109,944
Loans Payable - Current Portion	83,964	-	-	-	83,964	76,328
Bonds Payable - Noncurrent Portion	150,686	-	-	-	150,686	148,743
Total Current Liabilities	<u>386,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,296</u>	<u>437,865</u>
Loans Payable - Noncurrent Portion	2,157,148	-	-	-	2,157,148	2,178,456
Bonds Payable - Noncurrent Portion	2,477,432	-	-	-	2,477,432	2,519,445
Total Noncurrent Liabilities	<u>4,634,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,634,580</u>	<u>4,697,901</u>
TOTAL LIABILITIES	<u>5,020,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,020,876</u>	<u>5,135,766</u>
EQUITY	<u>\$ 9,062,021</u>	<u>\$ 3,886,759</u>	<u>\$ (2,562,240)</u>	<u>\$ -</u>	<u>\$ 10,386,540</u>	<u>\$ 10,036,099</u>

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund, Grant Funds.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

Genesee Gateway Local Development Corp.
Dashboard - For the Three Month Period Ended 3/31/22
Profit & Loss - Accrual Basis

	GGLDC		GABLLC		COMBINED		
	Three Month Period Ended <u>3/31/22</u>	Three Month Period Ended <u>3/31/22</u>	Three Month Period Ended <u>3/31/22</u>	Three Month Period Ended <u>3/31/22</u>	Eliminations	Three Month Period Ended <u>3/31/22</u>	Combined <u>YTD</u>
<u>Operating Revenues:</u>							
Grants	\$ 734,000	\$ -	\$ -	\$ -	\$ -	\$ 734,000	\$ 734,000
Interest Income on Loans	5,149	-	-	-	-	5,149	5,149
Rent	185,359	3,721	-	-	-	189,080	189,080
Common Area Fees - Parks	500	6,194	-	-	-	6,694	6,694
Total Operating Revenues	936,011	9,915	-	-	-	945,926	945,926
<u>Operating Expenses:</u>							
Operations & Maintenance	36,259	4,547	-	-	-	40,806	40,806
Professional Services	23,360	-	-	-	-	23,360	23,360
Econ. Dev. Program Support Grant	75,000	-	-	-	-	75,000	75,000
Site Development Expense	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-
Grant Expense	367,000	-	-	-	-	367,000	367,000
Real Estate Development (Capitalized)	-	-	-	-	-	-	-
Buildings/Furniture/Equipment (Capitalized)	-	-	-	-	-	-	-
Balance Sheet Absorption	-	-	-	-	-	-	-
Cost of Sales	-	-	-	-	-	-	-
Depreciation	49,300	-	-	-	-	49,300	49,300
Total Operating Expenses	550,919	4,547	-	-	-	555,466	555,466
Operating Revenue	385,092	5,368	-	-	-	390,460	390,460
<u>Non-Operating Revenues (Expenses):</u>							
Other Interest Income	593	501	-	-	-	1,094	1,094
Interest Expense	(41,113)	-	-	-	-	(41,113)	(41,113)
Total Non-Operating Rev (Exp)	(40,520)	501	-	-	-	(40,019)	(40,019)
Change in Net Assets	344,572	5,869	-	-	-	350,441	350,441
Net Assets - Beginning	8,717,449	3,880,890	(2,562,240)	(2,562,240)	(2,562,240)	10,036,099	10,036,099
Net Assets - Ending	\$ 9,062,021	\$ 3,886,759	\$ (2,562,240)	\$ (2,562,240)	\$ (2,562,240)	\$ 10,386,540	\$ 10,386,540

Genesee Gateway Local Development Corp.
April 2022 Dashboard
Balance Sheet - Accrual Basis

	<u>4/30/22</u>	<u>3/31/22</u>	[Per Audit] <u>12/31/21</u>
ASSETS:			
Cash - Unrestricted	547,950	\$ 522,593	\$ 503,196
Cash - Restricted (A)	588,390	588,332	588,161
Cash - Reserved (B)	1,451,998	1,407,402	1,447,826
Cash - Subtotal	2,588,338	2,518,327	2,539,183
Grants Receivable	31,237	31,237	34,980
Accounts Receivable	3,013	5,859	8,059
Loans Receivable - Current Portion	281,282	275,855	281,792
Other Current Assets (1)	20,826	23,489	10,439
Total Current Assets	2,924,696	2,854,767	2,874,453
Land Held for Dev. & Resale	2,556,367	2,556,367	2,556,367
Buildings & Improvements	7,202,120	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	46,599	46,599
Total Property, Plant & Equip.	9,805,086	9,805,086	9,805,086
Less Accumulated Depreciation	(2,218,793)	(2,202,359)	(2,153,059)
Net Property, Plant & Equip.	7,586,293	7,602,727	7,652,027
Loans Receivable - Noncurrent Portion (Net of \$176,545 Allow for Bad Debt at 4/30/22 & 3/31/22 and \$201,229 at 12/31/21)	1,048,671	1,063,163	764,495
Equity Investment in Genesee Agri-Business, LLC (2)	2,562,240	2,562,240	2,562,240
Other Assets	3,610,911	3,625,403	3,326,735
Total Assets	14,121,900	14,082,897	13,853,215
LIABILITIES:			
Accounts Payable (3)	32,816	956	46,279
Unearned Revenue (4)	40,187	40,746	56,571
Security Deposits	109,944	109,944	109,944
Loans Payable - Current Portion	84,244	83,964	76,328
Bonds Payable - Current Portion	150,839	150,686	148,743
Total Current Liabilities	418,030	386,296	437,865
Loans Payable - Noncurrent Portion	2,149,999	2,157,148	2,178,456
Bonds Payable - Noncurrent Portion	2,463,464	2,477,432	2,519,445
Total Noncurrent Liabilities	4,613,463	4,634,580	4,697,901
Total Liabilities	5,031,493	5,020,876	5,135,766
EQUITY	9,090,407	\$ 9,062,021	\$ 8,717,449

Significant Events:

1. Other Current Assets - Prepaid D&O, Cyber and General Liability insurance.
2. Equity Investment in Genesee Agri-Business, LLC - ties to corresponding GAB, LLC financial statements.
3. Accounts Payable - Grant for continuing Economic Development Program Support and MedTech Centre Property Management.
4. Unearned Revenue - MedTech Centre rent received in advance.

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Metropolitan Area Redevelopment Loan Funds, Grant Funds.

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Genesee Gateway Local Development Corp.
April 2022 Dashboard
Profit & Loss - Accrual Basis

	Month to Date		YTD		2022	2022
	4/30/22	4/30/21	2022	2021	Board Approved Budget	YTD % of Budget
<u>Operating Revenues:</u>						
Grants (1)	\$ 50,000	\$ -	\$ 784,000	\$ 50,000	\$ 932,648	84%
Interest Income on Loans	1,805	2,458	6,954	6,843	19,940	35%
Rent	61,518	59,334	246,877	239,426	738,695	33%
Common Area Fees - Parks	-	-	500	500	500	100%
Fees	-	-	9,980	-	-	N/A
Other Revenue	37	-	1,060	-	-	N/A
Total Operating Revenues	113,360	61,792	1,049,371	296,769	1,691,783	
<u>Operating Expenses:</u>						
Operations & Maintenance	11,617	6,223	47,876	35,855	209,801	23%
Professional Services	18,907	17,849	42,267	40,161	162,192	26%
Econ. Dev. Prog. Support Grant	25,000	25,000	100,000	100,000	300,000	33%
Site Development Expense	-	2,200	-	11,450	93,000	0%
Grant Expense (2)	-	-	367,000	-	819,648	45%
Real Estate Dev. (Capitalized)	-	-	-	100	15,000	0%
Buildings/Furniture/Equip. (Capitalized)	-	-	-	-	5,000	N/A
Balance Sheet Absorption	-	-	-	(100)	(20,000)	0%
Depreciation	16,434	16,327	65,734	65,308	197,203	33%
Total Operating Expenses	71,958	67,599	622,877	252,774	1,781,844	
Operating Revenue (Expense)	41,402	(5,807)	426,494	43,995	(90,061)	
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	183	249	776	1,153	1,600	49%
Interest Expense	(13,199)	(14,093)	(54,312)	(56,203)	(160,518)	34%
Total Non-Operating Exp.	(13,016)	(13,844)	(53,536)	(55,050)	(158,918)	
Change in Net Assets	28,386	(19,651)	372,958	(11,055)	\$ (248,979)	
Net Assets - Beginning	9,062,021	9,906,884	8,717,449	9,898,288		
Net Assets - Ending	\$ 9,090,407	\$ 9,887,233	\$ 9,090,407	\$ 9,887,233		

Significant Events:

1. Grant Revenue - Two solar projects closed (Trousdale Solar I & II). YTD includes OCR grant/loan to HP Hood (\$734K).

Genesee Gateway Local Development Corp.
April 2022 Dashboard
Statement of Cash Flows

	April 2022	YTD
CASH PROVIDED BY OPERATING ACTIVITIES:		
Grant Income	\$ 50,000	\$ 787,743
Interest Income on Loans	1,246	12,758
Rental Income	64,381	229,716
Common Area Fees - Parks	-	500
Fees	-	9,980
Other Revenue	37	1,060
Operations & Maintenance	(9,210)	(69,499)
Professional Services	(11,808)	(58,071)
Economic Development Program Support Grant	-	(75,000)
Site Development Expense	-	(18,943)
Grant Expense	-	(367,000)
Issuance of Loans	-	(367,000)
Repayment of Loans	9,065	83,334
Net Cash Provided By Operating Activities	103,711	169,578
CASH FLOWS USED BY CAPITAL & RELATED FINANCING ACTIVITIES:		
Principal Payments on Bonds & Loans	(20,684)	(74,426)
Interest Paid on Bonds & Loans	(13,199)	(46,773)
Net Cash Used By Capital & Related Financing Activities	(33,883)	(121,199)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income	183	776
Net Cash Provided By Investing Activities	183	776
Net Change in Cash	70,011	49,155
Cash - Beginning of Period	2,518,327	2,539,183
Cash - End of Period	\$ 2,588,338	\$ 2,588,338
RECONCILIATION OF OPERATING REVENUE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ 41,402	\$ 426,494
Adjustments:		
Depreciation Expense	16,434	65,734
Decrease in Grants/Accounts Receivable	2,846	8,789
Decrease (Increase) in Other Current Assets	2,663	(10,387)
Decrease (Increase) in Loans Receivable	9,065	(283,666)
Increase (Decrease) Operating Accounts Payable	31,860	(21,002)
Decrease in Unearned Revenue	(559)	(16,384)
Total Adjustments	62,309	(256,916)
Net Cash Provided By Operating Activities	\$ 103,711	\$ 169,578

Genesee Gateway Local Development Corp.
April 2022 Dashboard
Balance Sheet - Accrual Basis

	GGLDC		GABLLC		COMBINED	
	4/30/22	4/30/22	Eliminations	4/30/22	Per Audit 12/31/2021	
ASSETS:						
Cash - Unrestricted	\$ 547,950	\$ -	\$ -	\$ 547,950	\$ 503,196	
Cash - Restricted (A)	588,390	-	-	588,390	588,161	
Cash - Reserved (B)	1,451,998	2,547,297	-	3,999,295	3,988,986	
Cash - Subtotal	<u>2,588,338</u>	<u>2,547,297</u>	<u>-</u>	<u>5,135,635</u>	<u>5,080,343</u>	
Grants Receivable	31,237	-	-	31,237	34,980	
Accts Receivable - Current	3,013	-	-	3,013	8,059	
Loans Receivable - Current	281,282	-	-	281,282	281,792	
Other Current Assets	20,826	-	-	20,826	10,439	
Total Current Assets	<u>2,924,696</u>	<u>2,547,297</u>	<u>-</u>	<u>5,471,993</u>	<u>5,415,613</u>	
Land & Improvements	2,556,367	1,339,730	-	3,896,097	3,896,097	
Buildings & Improvements	7,202,120	-	-	7,202,120	7,202,120	
Furniture, Fixtures & Equipment	46,599	-	-	46,599	46,599	
Total Property, Plant & Equip.	<u>9,805,086</u>	<u>1,339,730</u>	<u>-</u>	<u>11,144,816</u>	<u>11,144,816</u>	
Less Accumulated Depreciation	<u>(2,218,793)</u>	<u>-</u>	<u>-</u>	<u>(2,218,793)</u>	<u>(2,153,059)</u>	
Net Property, Plant & Equip.	<u>7,586,293</u>	<u>1,339,730</u>	<u>-</u>	<u>8,926,023</u>	<u>8,991,757</u>	
Loans Receivable - Noncurrent	1,048,671	-	-	1,048,671	764,495	
Equity Investment in GAB, LLC	2,562,240	-	(2,562,240)	-	-	
Other Assets	<u>3,610,911</u>	<u>-</u>	<u>(2,562,240)</u>	<u>1,048,671</u>	<u>764,495</u>	
TOTAL ASSETS	<u>14,121,900</u>	<u>3,887,027</u>	<u>(2,562,240)</u>	<u>15,446,687</u>	<u>15,171,865</u>	
LIABILITIES:						
Accounts Payable	32,816	-	-	32,816	46,279	
Unearned Revenue	40,187	-	-	40,187	56,571	
Security Deposits	109,944	-	-	109,944	109,944	
Loans Payable - Current Portion	84,244	-	-	84,244	76,328	
Bonds Payable - Noncurrent Portion	150,839	-	-	150,839	148,743	
Total Current Liabilities	<u>418,030</u>	<u>-</u>	<u>-</u>	<u>418,030</u>	<u>437,865</u>	
Loans Payable - Noncurrent Portion	2,149,999	-	-	2,149,999	2,178,456	
Bonds Payable - Noncurrent Portion	2,463,464	-	-	2,463,464	2,519,445	
Total Noncurrent Liabilities	<u>4,613,463</u>	<u>-</u>	<u>-</u>	<u>4,613,463</u>	<u>4,697,901</u>	
TOTAL LIABILITIES	<u>5,031,493</u>	<u>-</u>	<u>-</u>	<u>5,031,493</u>	<u>5,135,766</u>	
EQUITY	<u>\$ 9,090,407</u>	<u>\$ 3,887,027</u>	<u>\$ (2,562,240)</u>	<u>\$ 10,415,194</u>	<u>\$ 10,036,099</u>	

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund, Grant Funds.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

Genesee Gateway Local Development Corp.
April 2022 Dashboard
Profit & Loss - Accrual Basis

	GGLDC 4/30/22	GABLLC 4/30/22	Eliminations	COMBINED	
				4/30/22	Combined YTD
Operating Revenues:					
Grants	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ 784,000
Interest Income on Loans	1,805	-	-	1,805	6,954
Rent	61,518	-	-	61,518	250,598
Common Area Fees - Parks	-	100	-	100	6,794
Fees	-	-	-	-	9,980
Other Revenue	37	-	-	37	1,060
Total Operating Revenues	113,360	100	-	113,460	1,059,386
Operating Expenses:					
Operations & Maintenance	11,617	-	-	11,617	52,423
Professional Services	18,907	-	-	18,907	42,267
Econ. Dev. Program Support Grant	25,000	-	-	25,000	100,000
Site Development Expense	-	-	-	-	-
Grant Expense	-	-	-	-	367,000
Real Estate Development (Capitalized)	-	-	-	-	-
Balance Sheet Absorption	-	-	-	-	-
Depreciation	16,434	-	-	16,434	65,734
Total Operating Expenses	71,958	-	-	71,958	627,424
Operating Revenue	41,402	100	-	41,502	431,962
Non-Operating Revenues (Expenses):					
Other Interest Income	183	168	-	351	1,445
Interest Expense	(13,199)	-	-	(13,199)	(54,312)
Total Non-Operating Rev (Exp)	(13,016)	168	-	(12,848)	(52,867)
Change in Net Assets	28,386	268	-	28,654	379,095
Net Assets - Beginning	9,062,021	3,886,759	(2,562,240)	10,386,540	10,036,099
Net Assets - Ending	\$ 9,090,407	\$ 3,887,027	\$ (2,562,240)	\$ 10,415,194	\$ 10,415,194

3c

Updated through 3.31.22 | 5.24.22

Genesee Gateway Local Development Corp. (GGLDC)
Strategic Investments - SUMMARY
 Fiscal Years 2022 - 2026

	2022	2023	2024	2025	2026	5 Yr Totals:	Comments
Sources of Funds: Available for GGLDC Project Investments & Operations Support							
Opening GGLDC "Reserved for Strategic Investments" Cash Balances	3,366,056	2,807,396	2,647,851	2,468,631	2,161,866	3,368,056	
NY5 Homes & Community Renewal Loan Repayments	143,285	220,620	200,945	73,400	73,400	711,650	Includes loan repayments from: First Wave Technologies, HP Hood \$500K loan (March 2019); Freightliner \$234K loan (July 2019); HP Hood \$367K loan (Feb 2022).
Mega Properties 2021 Land Sale - Net Proceeds							
Gateway GS 2021 Land Sale - Net Proceeds							
HP Hood 2021 Land Sale - Net Proceeds							
Other:							
Uses: Strategic and Operational Investments:							
Real-Estate Development / Shovel-Ready Site Development Related:							
Solar Projects - Funding for Workforce Development & Econ. Dev. Program Support	650					650	Solar projects agree to pay \$25K each at the completion of their projects to support Workforce Development initiatives, along with the overall ED Program. Eight community solar projects have closed to date.
Genesee County Chamber of Commerce CDBG Loan Repayments							Represents actual collections only - opportunity for future loan payments to be received.
Internal Borrowings/Repayments - Due to Strategic Investment Funds	137,382					137,382	Borrowed from and to be repaid to strategic investment funds; Majority used to repay loan from GCEDC related to BETP land purchase; Strategic investments will be reimbursed with future BETP land sale proceeds.
Total Sources of Funds	3,647,373	3,028,016	2,848,796	2,542,031	2,235,266	4,215,738	
5 Yr Totals:							
Other Reserved Funds: Batavia Metropolitan Area Community Redevelopment Fund - Actual							
Other	(134,656)					(134,656)	\$500,000 Housing Directional investment repurposed to a committed investment for the purpose of establishing the Batavia Metropolitan Area Redevelopment Fund [\$100K loaned in 2014/\$150K loaned in 2017/\$120K loaned in May 2020]. (Amount reserved includes cash remaining from original \$500K commitment, plus interest earned on reserved funds.)
Other					(500,000)	(500,000)	Reserve established for future shovel-ready requirements @ MedTech Centre - Potentially reclass to reserve for Project Infrastructure Financing

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Genesee Gateway Local Development Corp. (GGLDC)

Strategic Investments - SUMMARY

Fiscal Years 2022 - 2026

	2022	2023	2024	2025	2026	5 Yr Totals:	Comments
Other Reserved Funds: Ag Park Improvements	(23,779)					(23,779)	Engineering, bidding, construction inspection for drainage solution at the Ag Park.
Other Reserved Funds: Water Works Corp and Sewer Works Corp - Start-up Costs	(100,000)					(100,000)	
Subtotal Real-Estate Development / Shovel-Ready Site Development	(258,435)				(500,000)	(758,435)	
Economic Development Program Support:							
Economic Development Program Grant (GGLDC to GCEDC)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(1,500,000)	Approvals necessary for 2023 forward.
LDC Operations Costs & Site Infrastructure Maint. (excluding MTC)	(85,000)	(85,000)	(85,000)	(85,000)	(85,000)	(425,000)	Memo Only - Funds insurance, mowing, Fire District fees/property taxes, GGLDC audit fee, legal fees and other misc operating expenses (unreimbursable H. Sichertman services, GABLLC operating expenses, etc).
Subtotal Investments in Economic Development Program	(385,000)	(385,000)	(385,000)	(385,000)	(385,000)	(1,925,000)	
Strategy, Workforce Development & Entrepreneurship:							
Edge Factor Membership Support / Mechatronics / STEM Activities Support / Other WFD Initiatives	(1,447)					(1,447)	The Board authorized commitment of 50% of the Pearl Solar funding toward Workforce Development Initiatives (\$25K committed in 2019).
BOCES - Purchase of Training Equipment & Working Capital	(25,855)					(25,855)	WFD Agreement with BOCES approved 3.25.21
Training - HP Hood & Upstate Niagara	(50,000)					(50,000)	WFD Agreements with HP Hood and Upstate Niagara approved 3.25.21
Workforce Development Reserve	(124,750)					(124,750)	Reserve of Cash on Hand from Solar Project funding; Eight community solar projects have closed to date. Funding from two was previously spent/committed. Includes training for Seneca Nation members.
Workforce Development Consultant	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(150,000)	Board authorized - continued efforts for workforce development consultant as critical pillar to GCEDC/GGLDC Tech Based Economic Development Model. Any eligible funding secured will be used to offset this appropriation/funding. [Contract runs Aug-Aug; Current contract ends Aug 2022; Future approvals necessary to extend commitment beyond current contract.
Subtotal Workforce Development & Entrepreneurship Investments	\$ (232,052)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (352,052)	
Other Cash Activity:							
Common Area Charges - GVAB & BETP	\$ 6,794	\$ 6,794	\$ 6,794	\$ 6,794	\$ 6,794	\$ 33,970	
Land Lease Payments	\$ 28,041	\$ 28,041	\$ 28,041	\$ 28,041	\$ 28,041	\$ 140,205	

3c

Updated through 3.31.22 [5.24.22]

Genesee Gateway Local Development Corp. (GGLDC)

Strategic Investments - SUMMARY

Fiscal Years 2022 - 2026

	2022	2023	2024	2025	2026	5 Yr Totals:	Comments
Internal (Borrowings) Repayments - thru date of worksheet							
Interest Income	\$ 675					675	
Subtotal - Other	\$ 35,510	\$ 34,835	\$ 34,835	\$ 34,835	\$ 34,835	\$ 174,850	
Total Uses of Funds	(839,977)	(380,165)	(380,165)	(380,165)	(880,165)	(2,860,637)	
Cumulative Year-End Cash Balances	2,807,396	2,647,851	2,468,631	2,161,866	1,355,101	1,355,101	
OCR Loan Repayments - Upstate Niagara (Loan Closing Pending)	73,400	146,800	220,200	293,600	367,000	-	
Cumulative Year-End Cash Balances with Workforce Development Overlay	2,880,796	2,794,651	2,688,831	2,455,466	1,722,101	1,355,101	
Opportunities:							
DOL MedTech Centre Reserve (\$500K) could be removed in the future.							
- Potentially reclass to Reserve for Project Infrastructure Financing							
Grant funds to cover a portion of Workforce Development Consultant expenses.							
Genesee County Chamber of Commerce CDBG Loan Portfolio - Additional Repayments							
YSG Solar - Workforce Development & Ec. Dev. Program Support Funding (\$25K) [Due upon commencement date of construction - estimated to be Spring 2022]							
Additional Solar Projects w/ \$25K each committed to Workforce Development & Ec. Dev. Program Support. [6 add'l projects approved by Board]							
Land Sales:							
- BETP - Fancher (\$304,000 Gross Proceeds) - Closing In Process							
- GVAB - La Fermiere							
OCR Projects:							
- Upstate Niagara (\$367K OCR Loan Repayments over 5 Years) - Data gathering for draw request is underway							
Note - Plug Power Community Investment Agreement - \$900K/Year for 20 years [to be tracked seperately]							

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**Genesee Gateway Local Development Corporation
Audit and Finance Committee Charter**

This Audit and Finance Committee Charter was re-adopted on this 12th day of July, 2018 by the Board of Directors of the Genesee Gateway Local Development Corporation (GGLDC) a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-For-Profit Corporation Law of the State of New York and, as provided in Section 1411 of the Not-For-Profit Corporation Law, a Type C Corporation as defined in Section 201 of the Not-For-Profit Corporation Law established under the laws of the State of New York.

Purpose

Pursuant to Article IV, Section 1. of the GGLDC's bylaws, the purpose of the audit and finance committee shall be to (1) assure that the GGLDC's board fulfills its responsibilities for the GGLDC's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; (2) provide an avenue of communication between management, the independent auditors, and the board of directors; and (3) to review proposals for the issuance of debt and to make recommendations..

Powers of the Audit and Finance Committee

It shall be the responsibility of the audit and finance committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the GGLDC.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from GGLDC employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with GGLDC staff, independent auditors or outside counsel, as necessary.
- Retain, at the GGLDC's expense, such outside counsel, experts and other advisors as the audit and finance committee may deem appropriate.
- Review proposals for debt issuance and to make recommendations.

The GGLDC board will ensure that the audit and finance committee have sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The audit and finance committee shall be established as set forth in and pursuant to Article IV, Section 1 of the GGLDC's bylaws. The audit and finance committee shall consist of the Board Chair and at least three additional "independent members", within the meaning of, and to the extent required by, Section 2825 of New York Public Authorities Law, as amended from time to time. The audit and finance committee members shall be appointed by the Board Chair.

Ideally, all members of the audit and finance committee shall possess or obtain a basic understanding of governmental financial reporting and auditing.

The audit and finance committee shall have access to the services of at least one financial expert; whose name shall be disclosed in the annual report of the GGLDC.

The audit and finance committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with accounting for estimates, accruals and reserves; 4) experience with internal accounting controls, 5) experience with debt issuances, and 6) an understanding of audit and finance committee functions.

Meetings

The audit and finance committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the audit and finance committee are expected to attend such committee meeting. The audit and finance committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information as necessary.

The audit and finance committee will meet with the authority's independent auditor at least annually to discuss the financial statements of the GGLDC.

Meeting agendas will be prepared for every meeting and provided to the audit and finance committee members along with the briefing materials 2 business days before the scheduled audit and finance committee meeting. The audit and finance committee will act only on the affirmative vote of a majority of the members at a meeting. Minutes of those meetings will be recorded.

Responsibilities

The audit and finance committee shall have responsibilities related to: (a) the independent auditor and the annual financial statements; (b) the GGLDC's internal auditors (if any); (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; (e) issuances of debt and (f) miscellaneous issues related to the financial practices of the GGLDC.

The audit and finance committee shall also be responsible for reviewing financial statement accuracy and review of Revolving Loan Fund requests.

A. Independent Auditors and Financial Statements

The audit and finance committee shall:

- Recommend to the board of the GGLDC the appointment of independent auditors retained by the GGLDC and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The GGLDC's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit and finance committee. Non-audit services include tasks that directly support the GGLDC's operations, such as bookkeeping or other services related to the accounting records or financial statements of the authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the GGLDC's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to same.

B. Internal Controls, Compliance and Risk Assessment

The audit and finance committee shall:

- Review management's assessment of the effectiveness of the GGLDC's internal controls and review the report on internal controls by the independent auditor as part of the financial audit engagement.

C. Special Investigations

The audit and finance committee shall:

- Ensure that the GGLDC has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the authority or any persons having business dealings with the GGLDC, or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

D. Other Responsibilities of the Audit and Finance committee

The audit and finance committee shall:

- Present annually to the GGLDC's board a report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the authority. The audit and finance committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.
- Review proposals for the issuance of debt and to make recommendations.

GGLDC
Audit & Finance Committee Report
May 31, 2022

Cyber Liability

Information received from Lawley:

Please see the attached proposal for your 22-23 Cyber renewal. Coverage is through Atbay written with Trisura, Atbay's new supporting writing company. The change to Trisura is a result of the everchanging Cyber market. It's a common practice to use additional writing companies in order to provide competitive products.

Atbay/Trisura offered a renewal quote of \$10,289.17 for the 22-23 term. Limits and retention are per expiring; however, the carrier did add a Biometric Information Violation Exclusion. This has been a common exclusion that carriers have added to Cyber policies going forward. As long as you do not collect or house biometric data and that this is not part of your services, this should not affect coverage.

Please be advised that terms may change depending on if the STAMP entities are included. I've passed the STAMP information to the carrier and am waiting for their thoughts as to whether the entities should be included now, or, when they become active. I'll be sure to provide an update as soon as one is received from the carrier.

In order to bind, the carrier has requested a signed & dated Total Cost form. I will send this to you DocuSign should you want to bind coverage. I do want to note that your information was sent to market, but we have not yet received additional quote options for the renewal. Should an alternate option become available, I'll be sure to provide a revised proposal and from there we can discuss coverage comparison and updated binding requirements.

Fund Commitment: \$10,289.17 (\$5,144.59 EDC / \$5,144.58 LDC)

INSURANCE PROPOSAL



**Genesee County Industrial
Development Agency**
July 1, 2022

Lawley

lawleyinsurance.com | 1.844.4LAWLEY

Business Insurance

lawleyinsurance.com/business

Property & Casualty

- General Liability
- Property
- Workers' Compensation Coverage
- Automobile/Commercial Vehicle Fleet Insurance
- Umbrella/Excess Liability Insurance
- Inland Marine/Equipment Coverage
- Business Income/Extra Expense
- Employee Dishonesty
- International Coverages
- Boiler & Machinery/Equipment Breakdown
- Transportation/Ocean Marine
- Owner's and Contractor's Protective Liability
- Builder's Risk
- Surety/Bonding
- Captive Programs
- Alternative Risk Financing
- Flood
- Earthquake

Specialty Products

- Pollution Liability/Environmental
- Professional Liability/Errors & Omissions
- Crime (Fidelity) Insurance
- Cyber Liability
- Director's and Officer's/Management Liability (D&O)
- Employment Practices Liability
- Fiduciary Liability
- Business Travel Accident/Kidnap & Ransom Insurance
- Identity Theft

Employee Benefits

lawleyinsurance.com/benefits

- Medical Insurance
- Prescription Drug Plans
- Private Benefits Exchange - Lawley Marketplace
- Medical Captive Programs
- Consortiums/Trusts
- Dental & Vision Benefits
- Group Life Insurance
- NYS Disability (DBL)
- Short-Term Disability Insurance
- Long-Term Disability Insurance
- Voluntary Insurance
- Executive Benefits
- Retirement Planning and 401k Administration
- Underwriting & Reporting
- Compliance
- Wellness Programs & Health Management Programs
- Lawley Simplifi

Industry Specialties/Practice Groups

lawleyinsurance.com/specialties

- Affordable Housing
- Construction
- Car Dealers
- Healthcare Facilities
- Manufacturing
- Not-for-Profits
- Farms
- Municipalities and Schools

Products/services are subject to state eligibility

Risk Management

lawleyinsurance.com/riskmanagement

Loss Control & Safety Services

- Safety Training & Safety Program Evaluations
- General Liability Loss Control
- Loss Source and Trending Analysis
- Code Rule 59 Consultation
- OSHA Assistance
- Defensive Driving Courses & Vehicle Fleet Loss Control
- Ergonomics Evaluation, Training, & Development
- Captive Loss Control
- Life Safety & Evacuation Plans
- Fire & Protection Systems Assistance
- Site Hazard Analysis
- Return to Work Programs
- Industrial Hygiene - Air, Noise Sampling
- Business Interruption - Contingency & Continuity Planning
- Contractual Liability & Risk Transfer
- Grant Submission & Training
- Accident Investigation

Claims Management

- Claim Trend Analysis
- Claims Reviews (Workers' Compensation and General Liability)
- Claims Consulting Services
- Coverage Analysis Consulting and Monitoring
- Experience Modification Review and Recalculation
- First Aid Claim Program (Workers' Compensation)
- Litigation Management
- Reserve Analysis (Loss Forecaster Software)

Personal Insurance

lawleyinsurance.com/personal

- Automobile Insurance
- Homeowners Insurance
- Vacation or Secondary Home Insurance
- Jewelry, Fine Arts, and Collectibles Insurance
- Renters Insurance
- Condominium Insurance
- Landlord (Rental Properties) Insurance
- Excess/Personal Umbrella Liability
- Flood Coverage, Primary & Excess
- Life Insurance
- Motorcycle Insurance
- Recreational Vehicle Insurance
- Watercraft Insurance
- Co-Ops Insurance
- Identity Theft Insurance
- Trip/Travel/International Medical & Evacuation Coverage
- Workers' Compensation (Domestic Help)
- Earthquake

MyWave

lawleyinsurance.com/mywave

MyWave – A customized portal for your HR needs: thousands of valuable resources, OSHA forms and peer-based forums to keep you informed and in-the-know

Lawley Benefits University

lawleyinsurance.com/lbu

Lawley Benefits University – Resources and events to help keep you informed about changes to healthcare legislation, healthcare reform, compliance issues and more. These tools help you successfully control insurance costs while staying educated on changes to the insurance environment

Products/services are subject to state eligibility

At Lawley we are committed to providing our clients with the best possible service. We have assembled an experienced team dedicated to your account.

The Insurance Advisor evaluates your exposures and designs a cost-effective program.

Insurance Advisor	William Fritts, Jr.	Phone:	(585) 344-9500
		Fax:	(716) 849-8291
		Email:	bfritts@lawleyinsurance.com

The Account Executive supports your Producer and commercial lines team in the servicing of your account.

Account Executive	Susie E. Ott	Phone:	(585) 344-9501
		Fax:	(716) 849-8291
		Email:	sott@lawleyinsurance.com

The Specialty Account Manager supports your Producer and commercial lines team in the servicing of your specialty policy needs.

Specialty Account Manager	Caitlin Celis	Phone:	(716) 849-4375
		Fax:	(716) 849-8291
		Email:	ccelis@lawleyinsurance.com

The Account Technician quality controls policy documents and manages all invoicing.

Account Technician	Cheryl Pena	Phone:	(716) 849-8687
		Fax:	(716) 849-8291
		Email:	cpena@lawleyinsurance.com

The Assistant Account Manager supports your Account Manager in fulfillment of service requests.

Assistant Account Manager	Diane Evans	Phone:	(716) 849-1524
		Fax:	(716) 849-8291
		Email:	devans@lawleyinsurance.com

The Claim Consultant is responsible for reporting all loss information to the insurance company and then following up to make certain the claim is resolved.

Claim Consultant	Krista Voigt	Phone:	(716) 849-8651
		Fax:	(716) 849-8291
		Email:	kvoigt@lawleyinsurance.com

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Please review the contact information we have on file. Over the course of a year, we may need to reach out to you for updates, notices or important information. If there is a specific person we should contact directly for billing, claims, inspections, service requests, please note that next to their name and the preferred method of contact.

Changes or Corrections

Contact Name	Penny Kennett
Contact Address	Genesee County Industrial Development Agency 99 MedTech Dr STE 106 Batavia NY 14020
Contact Phone #	(585) 343-4866
Contact Email	pkennett@gcedc.com
Description	

Named Insured

Genesee County Industrial Development Agency dba
DBA Genesee County Economic Development Center

Policy Term:	7/1/2022 - 7/1/2023
Retroactive Date:	Full Prior Acts
Policy Type:	Cyber Liability – Claims Made
Policy Number:	661099501
Carrier:	Trisura Specialty Insurance Company (Non-admitted, "A-" A.M. Best Rating)

Coverage	Limit	Retention
Information & Privacy Liability	\$1,000,000	\$10,000
Regulatory Liability	\$1,000,000	\$10,000
PCI-DSS Liability	\$1,000,000	\$10,000
Network Security Liability	\$1,000,000	\$10,000
Event Response & Recovery	\$1,000,000	\$10,000
Direct Business Interruption & System Failure	\$1,000,000	10 Hours - \$10,000
Contingent Business Interruption & System Failure	\$1,000,000	10 Hours - \$10,000
Cyber Extortion	\$1,000,000	\$10,000
Media Liability	\$1,000,000	\$10,000
Reputation Harm	\$1,000,000	\$10,000
Policy Aggregate	\$1,000,000	N/A

Additional Coverage Information

- Continuity Date – 7/1/2021
- Defense within the Limits
- Scheduled Insured Organization Endorsement
 - Genesee Gateway Local Development Corp
 - Genesee Agri-Business LLC
 - Genesee County Funding Corporation
- \$100,000 Cyber Crime Sublimit including Computer Fraud, Social Engineering, and Invoice Manipulation
- Biometric Information Violation Exclusion

Extended Reporting Period

- 1 Year at 75% Annual Premium

This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed.

Coverage	7/1/2021-7/1/2023	7/1/2022-7/1/2023
Cyber Liability	\$7,553.00	\$10,289.17
Total Premium	\$7,553.00	\$10,289.17

Notes: Coverage is now through Trisura Specialty Insurance Company/Atbay vs. HSB/Atbay from the 21-22 term.

Binding Requirements

- Signed Total Cost Form
- Request to Bind

Genesee County Industrial Development Agency

Genesee County Industrial Development Agency
99 MedTech Dr STE 106
Batavia, NY 14020

Is the mailing address listed above correct? Yes: _____ No: _____

If you have answered No to the question shown above, please make corrections below:

Please respond in Section 1 **and** Section 2, then sign where indicated:

Section 1 - Select one of the following by placing an (X) in the appropriate box

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. bind coverage as shown in this proposal. All changes from the original proposal are noted and initialed.

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. bind coverage as shown in this proposal, with no changes from the original proposal

Section 2 - Select one of the following by placing an (X) in the appropriate box

By my signature below, I certify that I have declined quotes for additional coverages

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. obtain Quotes for the following coverage: *(please list below)*

Signed: _____ Date: _____

Name: Genesee County Industrial Development Agency

Term: 7/1/2022-7/1/2023

We ask that you do not accept our brief description of the insurance coverages as a complete explanation of the policy terms. The actual policy language will govern the scope and limits of coverage involved.

Review of Purchase and Sale Agreement for Ag Park Property

Discussion: The GGLDC has received a Purchase and Sale Agreement from a potential project to acquire approximately 20 acres out of tax parcel 13.-1-170.11 for \$1,000,000.

Fund Commitment: Legal fees to Harris Beach for the transaction as listed in the resolution.

Committee Action Request: Recommend approval of Purchase and Sale Agreement and payment of legal fees in connection with closing.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

AUTHORIZING RESOLUTION

(Sale of Land to La Fermiere Inc.)

A regular meeting of the Genesee Gateway Local Development Corporation (the "Corporation") was convened on _____, 2022, at 4:00 p.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. # __/2022 - __

RESOLUTION OF THE GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION, AS THE MANAGING MEMBER OF GENESEE AGRI-BUSINESS LLC AUTHORIZING (I) THE SALE OF CERTAIN LANDS OWNED BY GENESEE AGRI-BUSINESS LLC TO LA FERMIERE INC. (THE "COMPANY") COMPRISING APPROXIMATELY 20 +/- ACRES LOCATED IN THE TOWN OF BATAVIA, GENESEE COUNTY, NEW YORK, AND KNOWN AS TAX PARCEL 13.-1-170.11 (THE "LAND"), (II) THE PROVISION OF CERTAIN FINANCIAL INCENTIVES TO THE COMPANY, (III) THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT FOR THE CONVEYANCE OF THE LAND AND (IV) THE EXECUTION AND DELIVERY OF DOCUMENTS NECESSARY AND INCIDENTAL TO THE FOREGOING.

WHEREAS, pursuant to the purposes and powers contained within Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), and pursuant to its certificate of incorporation filed on September 20, 2004 (the "Certificate"), the **GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION** (the "Corporation") was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Corporation is the managing and majority member of **GENESEE AGRI-BUSINESS LLC** ("GAB"); and

WHEREAS, among other property, GAB owns approximately 20+/- acres of vacant land located at North Ag Park Drive, Town of Batavia, Genesee County, New York (the "Land"); and

WHEREAS, **LA FERMIERE INC.** and its permitted assigns (the "Company") has offered to purchase the Land in connection with a certain project to be undertaken by the Company thereon pursuant to the terms and conditions of that certain Purchase and Sale Agreement, the form of which is attached hereto as Exhibit A (the "Purchase and Sale Agreement").

WHEREAS, GAB desires to transfer to the Company, for and in consideration of \$50,000.00 per acre, an approximately 20 +/- acre parcel of land located in the Genesee Valley Agri-Business Park (the "Park") at North Ag Park Drive, in the Town of Batavia, Genesee County, New York, known as tax parcel 13.-1-170.11 (the "Land"); and

WHEREAS, the Corporation desires to adopt a resolution authorizing (i) the sale of the Land to the Company, (ii) the execution of the Purchase and Sale Agreement for the Land, (iii) the provision of certain financial incentives to the Company exclusive of what may be provided to the Company by the Genesee County Industrial Development Agency, and (iv) the execution and delivery of a deed and related documents in connection with the purchase and sale of the Land and the provision of said financial incentives (the "Closing Documents"); and

WHEREAS, the Purchase and Sale Agreement in connection therewith has been negotiated and is presented to this meeting for approval and execution.

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF THE GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. The Corporation hereby finds and determines that:

(A) By virtue of the Act and the Certificate, the Corporation has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act and the Certificate; and

(B) The Corporation has the authority to take the actions contemplated herein pursuant to the Act and the Certificate; and

(C) The Corporation finds that the proposed transfer of the Land constitutes a "Type II action" pursuant to New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), and therefore is exempt from review under SEQRA.

Section 2. The Corporation hereby authorizes the transfer of the Land to the Company (such metes and bounds description to be agreed upon by the Buyer and GAB) and the provision of the aforementioned financial incentives, subject to compliance with all applicable law, including, without limitation, the New York State Public Authorities Accountability Act and the execution and delivery of all documents necessary and incidental thereto.

Section 3. The Chairman, Vice Chairman, President/Chief Executive Officer and/or Senior Vice President of Operations of the Corporation are hereby authorized, on behalf of the Corporation and GAB, to do all acts and things required and to execute and deliver all such deeds, 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 Corporation with all of the terms, covenants and provisions of the documents executed for and on behalf of the Corporation.

Section 4. Harris Beach PLLC shall be entitled to attorney fees, exclusive of third party costs (i.e. recording costs, survey, etc.) not to exceed \$20,000.00 subject to no substantive title issues, municipal approval issues and/or environmental issues arising in connection with the purchase and sale of the Land, in which event, additional attorney fees are authorized as necessary to resolve such foregoing issues.

Section 5. These Resolutions shall take effect immediately upon adoption.

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Donald Cunningham	[]	[]	[]	[]
Thomas H. Felton	[]	[]	[]	[]
Sarah Noble-Moag	[]	[]	[]	[]
Gregg Torrey	[]	[]	[]	[]
Todd Bender	[]	[]	[]	[]
Paul Battaglia	[]	[]	[]	[]
Jonathan Tretter	[]	[]	[]	[]
Craig Yunker	[]	[]	[]	[]
Pete Zelif	[]	[]	[]	[]

The Resolutions were thereupon duly adopted.

**PURCHASE AND SALE CONTRACT
FOR LOTS, VACANT LAND AND FARMS**

("Agreement")

When signed, this document becomes a binding contract.
Purchaser or Seller may wish to consult their own attorney.

PURCHASER(S): LA FERMIERE INC., a Delaware corporation with an address of 190 Christopher Columbus Drive, Suite 4A, Jersey City, New Jersey, 07302

SELLER(S): GENESEE AGRI-BUSINESS, LLC, a New York limited liability company with an address at 99 MedTech Drive, Suite 106, Batavia, New York 14020

OFFER TO PURCHASE

Purchaser offers to purchase the property described below from Seller on the following terms:

1. PROPERTY DESCRIPTION: Property known as part of land owned by the Genesee Agri Business, LLC. The approximate size of the Property to be purchased by the Purchaser from the Seller is approximately 20.00 acres ("Land"). The Land is depicted per attached Exhibit "A" and consists of part of tax parcel 13.-1-170.11, and situated in the Town of Batavia. The actual acreage of the Land to be purchased by the Purchaser from the Seller shall be determined based on the Updated Survey Map (as defined in paragraph 5.B below). In addition to the Land, the property to be purchased also includes all rights and appurtenances pertaining to the Land, including, without limitation: (i) any and all access and other easements, covenants, privileges and hereditaments benefitting the Land, whether or not of record; (ii) any and all access, air, water, riparian, development and utility rights; (iii) all improvements located on the Land, if any (iv) all strips and gores of land adjoining or abutting the Land, if any (collectively, the "Property").

2. PRICE; AMOUNT AND HOW IT WILL BE PAID: The purchase price to be paid by the Purchaser to the Seller shall be \$50,000.00 per acre or fraction thereof with a maximum purchase price of \$1,000,000.00 and the maximum purchase price shall apply notwithstanding if the size of the Property exceeds 20.00 acres based on the Updated Survey Map to be provided by the Seller but paid for by the Purchaser, provided said difference is less than .5 acres. Should the difference be more than .5 acres than Purchaser shall pay \$50,000 per acre or portion thereof.

The Purchaser shall receive a credit at Closing (as defined in paragraph 4) for the Deposit (as defined in paragraph 11) made hereunder. The balance of the purchase price, as adjusted pursuant to paragraph 8, shall be paid as follows: (Check and complete applicable provisions.)

(A) \$500,000 by official bank draft, wire or certified check at Closing.

(B) \$500,000 loan payable to Genesee Agri Business, LLC (per separate agreement) and as set forth in section 25 hereof.

3. DUE DILIGENCE AND CONTINGENCIES:

- A. Due Diligence Review Period.** Purchaser shall have one hundred and twenty (120) days from the Date of Acceptance (defined below; the "Due Diligence Review Period") to determine the feasibility of Purchaser's planned development of the Property, and, at Purchaser's sole expense, Purchaser, or its authorized agents, may, upon reasonable notice to Seller, enter upon the Property for the purpose of making Inspections (as defined below) that Purchaser deems reasonably necessary. At any time and for any reason or no reason prior to the end of the Due Diligence Review Period in Purchaser's sole and absolute discretion, Purchaser may notify Seller in writing that it wishes to terminate this Agreement. Upon such termination, (i) Purchaser shall be entitled to the return of the Deposit, and (ii) this Agreement and all the rights and obligations of the respective parties hereunder shall be null and void.
- B. Developmental Approvals.** Purchaser's obligation to purchase the Property pursuant to this Agreement shall be conditioned on Purchaser obtaining all approvals, including, but not limited to, approvals, permits, rezoning, special use permits, variances, special exemptions, National Environmental Policy Act ("NEPA") approval, subdivision and other permits and approvals necessary or appropriate in Purchaser's sole discretion for Purchaser's intended use of the Property as a food manufacturing facility (the "Approvals"). Seller shall, in all ways, fully cooperate with Purchaser in the pursuit of the Approvals including, without limitation, executing any plats, permits and any other applications necessary to obtain each and every Approval. Seller shall be responsible, at its sole cost and expense, to secure a rezoning of the Property for use as an Industrial Park and said rezoning shall be included in the definition of Approvals. "Final Approval" of the Approvals shall be the date when: (i) all of the Approvals have been reviewed and finally approved by all appropriate agencies, (ii) any ordinances with respect to the Approvals have taken effect, (iii) the time has passed for appeal of all Approvals, (iv) no notice of referendum or initiative with respect to any Approval has been published or publicized and (v) any appeals or litigation with respect to any of the above have been prosecuted and resolved in a manner which is satisfactory to Buyer and are not subject to remand to lower courts or governmental agencies. If Final Approval has not occurred on or before 180 days after the Date of Acceptance (the "Approval Deadline"), Purchaser may, at its option, either (a) prior to the expiration of the Approval Deadline request an additional thirty (30) days to obtain Approvals which request Seller shall grant so long as Purchaser is diligently pursuing its Approvals, (b) terminate this Agreement and receive a refund of the Deposit, or (c) waive this contingency, at Purchaser's sole and absolute discretion, and proceed with the Closing and the Deposit shall become nonrefundable.
- C. Financial Incentives.** Purchaser's obligation to purchase the Property pursuant to this Agreement shall be conditioned on Purchaser securing an commitment from each respective New York State agency for the following financial incentives on or before the Approval Deadline: (i) property tax abatement from real property taxes from Genesee County Industrial Development Agency ("GCEDC"); (ii) sales taxes abatement from GCEDC; (iii) mortgage tax abatement form GCEDC; (iv) Excelsior Award in the amount of \$1,350,000.00 from Empire State Development; (v) Federal Community Development Block Grant from New York State Office of Community Renewal in the amount of \$734,000.00.

4. **CLOSING DATE, PLACE, AND POSSESSION:** Closing shall take place via escrow with the Title Company (as hereinafter defined) within thirty (30) days after the expiration or earlier waiver of the Approvals Deadline, or on such earlier date or place as Seller and Purchaser may mutually agree. Notwithstanding the foregoing, Purchaser shall have the right to accelerate the Closing by providing written notice thereof, in which event the Closing shall occur on the 10th day after the date of such notice.

5. **TITLE AND RELATED DOCUMENTS:** Seller shall provide the following documents in connection with the sale:

A. **Deed.** Seller will deliver to Purchaser at Closing a properly signed and notarized Bargain and Sale Deed with covenant against grantor's acts and subject to trust fund provisions of Section 13 of the Lien Law.

B. **Abstract, Bankruptcy and Tax Searches.** Seller, at Purchaser's expenses, shall obtain an instrument survey map within thirty (30) days after the Date of Acceptance based upon the dimensions of the Property as set forth at Exhibit A. Within thirty (30) calendar days from Seller's receipt of the instrument survey map (as defined in paragraph 16) Seller shall, at Seller's expense, order and provide to Purchaser an updated abstract of title for the Property, obtain copies of all tax receipts for the Property, fully guaranteed tax, title and United States District Court searches (minimum 60 year searches), including, without limitation, bankruptcy, judgment and tax lien searches and searches under the Uniform Commercial Code of records in the appropriate offices, dated or redated subsequent to the Date of Acceptance and local tax certificates where such taxes are not covered by such searches (collectively, the "Abstract of Title"). Seller, at Purchaser's expense, shall have the instrument survey map updated upon receipt of the Abstract of Title which instrument survey map shall reference the Abstract of Title (the "Updated Survey Map"). Purchaser shall thereafter have the right to obtain a title commitment (the "Title Commitment"), at Purchaser's expense, from a title company of Purchaser's choice (the "Title Company"). The Updated Survey Map shall reference the Abstract of Title and show the Property and all improvements, curb cuts, joint or common driveways, independent driveways along the boundary line, rights of way, building lines, easements and other structures affecting the same. Said Updated Survey Map shall be prepared by a land surveyor licensed in the State of New York and meet standard requirements of the Title Company and the Genesee County Bar Association, at Purchaser's expense, dated or redated after the Date of Acceptance and certified to such parties as Purchaser may request. If the Updated Survey Map shows any encroachment, setback violation, boundary line discrepancy or any other conditions that renders the Property unmarketable or interferes with the intended use of the Property as a food manufacturing facility (the "Intended Use"), the same shall, provided it is not a Permitted Encumbrance (as defined herein), be deemed and treated in the same manner as a Title Objection (as defined herein). Purchasers shall have the right, at any time on or before the twentieth (20th) day after Purchaser has received the Abstract of Title and Updated Survey Map, to examine the Abstract of Title and Survey, and to identify to Seller in writing those item(s), if any, which Purchaser finds objectionable (each, a "Title Objection"). If Purchaser fails to identify any Title Objections during such twenty (20) day period, then all matters shown on Schedule "B" of the Title Commitment, real estate

taxes which are a lien against the Property, but which are not yet due and payable, shall be deemed "Permitted Encumbrances." If Purchaser makes any Title Objection during such twenty (20) day period, then, prior to Closing (the "Title Cure Period"), Seller shall either (i) notify Purchaser in writing that the Title Objection(s) will not be cured (subject to the remaining terms of this Section 7), or (ii) cure such Title Objection(s) (which shall include payment of any monetary liens from the Closing proceeds).

C. If Seller fails or elects not to cure a Title Objection during the Title Cure Period (Seller hereby agreeing to use its good faith efforts to cure any Title Objection as long as such cure can readily and promptly be affected), then Purchaser shall have the right to either:

(i) waive such Title Objection and purchase the Property, without reduction or abatement in the Purchase Price, in which event the waived Title Objection shall be deemed to be a Permitted Encumbrance; or

(ii) terminate this Agreement by notifying Seller thereof in writing prior to Closing, and in the event of such termination by Purchaser all rights and duties under this Agreement shall cease except for those matters which, by their terms, survive the termination of this Agreement, the Deposit shall be returned to Purchaser, Purchaser shall return the Updated Survey Map and Abstract of Title to Seller, and the parties shall remain responsible for their own respective costs associated with this Agreement.

D. Notwithstanding anything contained hereinabove to the contrary, Seller and Purchaser hereby acknowledge and agree that Purchaser automatically (i.e., without the need for further notice to Seller) objects to all mortgage liens, mechanic's liens, judgments and other monetary encumbrances and Seller hereby agrees to have any and all such mortgage liens, mechanic's liens, and judgments (including, without limitation, any delinquent taxes or assessments) satisfied and removed from the Property at (to the extent the same may be paid from the Closing proceeds) or before the Closing. If either party secures a commitment for title insurance at standard rates in face amount equal to the Purchase Price to insure marketability of title against any objection raised for the benefit of Purchaser, and Purchaser in its sole discretion agrees to accept insurable title, Seller shall pay the difference between the cost thereof and the cost of a fee policy had such title objections not existed, and in such event this Agreement shall remain and continue in full force and effect.

E. Corporate Documents. Seller will furnish and deliver to Purchaser or Purchaser's attorney at least thirty (30) calendar days before the Closing Date, at Seller's expense, a current Certificate of Good Standing.

F. Title Company Affidavits and Other Documents. Seller will deliver to Purchaser at Closing such affidavits and other agreements as may be reasonably required by Purchaser's title insurance company to issue a fee title insurance policy to purchaser for the Property, including a commercially reasonable title affidavit and gap indemnity.

G. Wetland Assessment and Delineation. Purchaser, at Purchaser's expense shall have the option to secure a wetland assessment and delineation of the Property, upon prior notice to Seller, during the Due Diligence Review Period.

6. MARKETABILITY OF TITLE:

A. The deed and other documents delivered by Seller shall be sufficient to convey good marketable title to the Property in fee simple, free, and clear of all liens and encumbrances. However, Purchaser agrees to accept title to the Property subject to (i) the lien of current real estate taxes not due and payable and (ii) public utility easements along lot lines as long as the Purchaser has determined those easements do not interfere with any improvements Purchaser may construct in compliance with all present zoning and building codes applicable to the Property (the "Permitted Exceptions"). Seller and Purchaser agree to furnish any documents required by federal or state laws for transfer of title to real property.

B. THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, (1) THE PROPERTY IS BEING CONVEYED BY SELLER IN "AS-IS" CONDITION, (2) THAT, FOLLOWING DUE DILIGENCE, PURCHASER SHALL BE FULLY FAMILIAR WITH THE CONDITION OF THE PROPERTY, AND (3) THAT PURCHASER SHALL BUY THE PROPERTY BASED SOLELY ON PURCHASER'S KNOWLEDGE OF THE PROPERTY AND NOT IN RELIANCE ON ANY REPRESENTATION MADE BY SELLER OR ANY EMPLOYEE OR AGENT OF SELLER. SELLER EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND REGARDING THE PROPERTY EXCEPT AS EXPRESSLY SET FORTH HEREIN, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES REGARDING THE PHYSICAL CONDITION OR ENVIRONMENTAL COMPLIANCE OF THE PROPERTY. THE WAIVER CONTAINED IN THIS SECTION SHALL SURVIVE CLOSING.

7. REPRESENTATIONS AND WARRANTIES OF SELLER: Seller represents and warranties to Purchaser as follows:

- a. Seller has full right and authority to enter into this Agreement and to perform all of the obligations of Seller contained herein. Seller owns fee simple title to the Property.
- b. No action, suit, or other proceeding (including, but not limited to, condemnation actions) is pending or has been threatened in writing, that concerns or involves the Property or Seller's interest in the Property.
- c. Seller has no actual knowledge, without independent investigation, of the violation of any laws, ordinances, orders, regulations, or requirements of any federal, state, county or municipal authority or any insurance carrier ("Laws") affecting the Property or any portion thereof. If Seller receives any notices of any outstanding violations prior to Closing, Seller will notify Purchaser within five (5) business days thereof and will advise Purchaser that, prior to Closing, Seller shall either (i) not cure said violation or (ii) cure such violation. If Seller fails or elects not to cure such violation then Purchaser shall have the right to either waive such violation and proceed to Closing or terminate

this Agreement in the event the violation materially impairs the Purchaser's Intended Use of the Property.

- d. Except for this Agreement, Seller has not entered into any Agreement to sell, or lease the Property or any part thereof and Seller will not do so during the term of this Agreement.
- e. All representations and warranties of Seller contained in this Agreement shall survive for a period of six (6) months after the Closing.

8. RECORDING COSTS, MORTGAGE TAX, TRANSFER TAXES AND CLOSING ADJUSTMENTS: Purchaser shall pay the real property transfer tax. Purchaser will pay for recording the deed and any mortgage, and for the entire mortgage tax subject to any terms contained in an incentive package, if any, from GCEDC. The following, as applicable, will be prorated and adjusted between Seller and Purchaser as of the Closing Date, excluding any delinquent items, interest, and penalties: current taxes or special district fees computed on a fiscal year basis, rent payments, fuel oil on the Property, water charges, pure water charges, sewer charges, current common charges, or assessments. If there is a water meter at the Property, Seller shall furnish an actual reading to a date not more than 30 days before the Closing Date. At Closing, the water charges and any sewer rent shall be apportioned on the basis of such actual reading.

9. ZONING: Seller represents that the Property is currently zoned for use as a Commercial and Industrial Park and that Seller and will represent at Closing that the Property is zoned for use as an Industrial Park and may be used for a food manufacturing facility.

10. RISK OF LOSS: Risk of loss or damage to the Property by fire or other casualty until transfer of title shall be assumed by the Seller. If damage to the Property by fire or such other casualty occurs prior to transfer, Purchaser may cancel this Agreement without any further liability to Seller and the Deposit shall be returned to Purchaser. If Purchaser does not cancel but elects to close, then Seller shall transfer to Purchaser any insurance proceeds, or Seller's claim to insurance proceeds payable for such damage.

11. DEPOSIT TO SELLER: Purchaser shall make a Twenty Thousand and no/100 U.S. Dollars (\$20,000.00) refundable deposit ("Deposit") within three (3) business days following the Date of Acceptance to be held in escrow by Seller's attorney Harris Beach PLLC, 99 Gamsey Road, Pittsford, NY 14534 pursuant to the Escrow Agreement attached hereto as Exhibit "B". Such Deposit shall be paid to Seller at the time of Closing and shall be credited against the total purchase price at Closing. Should this Agreement be terminated for any reason, except for Purchaser's default hereunder, the Deposit shall be refunded to the Purchaser.

11. DEFAULT; LIQUIDATED DAMAGES:

- (a) Seller's Default. In the event that the sale of the Property fails to close as a result of a default under this Agreement by the Seller, Purchaser may (i) sue Seller for specific performance and reasonable attorney's fees or (ii) terminate this Agreement, in which event the Escrow Agent shall deliver the Deposit to Purchaser and Seller shall pay to Purchaser Purchaser's reasonable out-of-pocket costs in connection with the Purchaser's due diligence costs and expenses in the amount of Twenty Thousand and

00/100 Dollars (\$20,000.00) as liquidated damages resulting from Seller's breach hereof and thereafter neither party shall have any further rights hereunder. Notwithstanding anything to the contrary contained herein, if there is any default by Seller hereunder, such default shall not be effective until expiration of fifteen (15) business days after Purchaser shall give to Seller written notice of such default which notice shall afford to Seller the option within such fifteen (15) business day period to cure the default in accordance with the notice given by Purchaser.

- (b) Purchaser's Default. In the event that the sale of the Property fails to close as a result of a default under this Agreement by Purchaser, Seller may (i) sue Purchaser for specific performance, and reasonable attorney's fees or (ii) terminate this Agreement in which event the Escrow Agent shall release to Seller Twenty Thousand and 00/100 Dollars (\$20,000.00) of the Deposit as liquidated damages resulting from Purchaser's breach hereof, with Escrow Agent directed to return the balance of the Deposit to Purchaser and thereafter neither party shall have any further rights hereunder. Notwithstanding anything to the contrary contained herein, if there is any default by Purchaser hereunder, such default shall not be effective until expiration of fifteen (15) business days after Seller shall give to Purchaser written notice of such default, which notice shall afford to Purchaser the option within such fifteen (15) business day period to cure the default in accordance with the notice given by Seller.

12. REAL ESTATE BROKER: Seller and Purchaser acknowledge that no broker brought about this transaction. Seller and Purchaser warrant and represent that they have not dealt with any other brokers in connection with the sale embraced in this Agreement and agree to indemnify and hold each other harmless from the claims of any other brokers for commissions. The provisions of this paragraph 12 shall survive Closing.

13. RESPONSIBILITY OF PERSONS UNDER THIS CONTRACT; ASSIGNABILITY:

If more than one person signs this Agreement as Purchaser, each person and any party who takes over that person's legal position will be responsible for keeping the promises made by Purchaser in this Contract. If more than one person signs this Agreement as Seller, each person or any party who takes over that person's legal position, will be fully responsible for keeping the promises made by Seller. Purchaser shall not have the right to assign its rights, duties and obligations pursuant to this Agreement or any of its rights hereunder without the prior written consent of Seller, which consent shall not be unreasonably conditioned, withheld or delayed; provided, however, Purchaser shall be permitted to assign this Agreement to any affiliate or subsidiary, or an entity created for the acquisition contemplated herein without obtaining Seller's consent so long as the Purchaser named herein remains fully responsible for the performance of all of Purchaser's obligations under this Agreement. No assignment shall be effective unless and until Purchaser provides Seller with a notice of assignment together with a copy of the applicable assignment and assumption agreement.

14. ENTIRE CONTRACT: This Agreement when signed by both Purchaser and Seller will be the record of the complete agreement between the Purchaser and Seller concerning the purchase of the Property. No verbal agreements or promises made by either the Seller or the Purchaser shall be binding.

15. NOTICES. All notices under this Agreement shall be in writing and shall be deemed validly given if sent by certified mail or by overnight delivery via a commercial courier to the addresses specified below by either party or its counsel. Counsel to the parties may provide any required notice. Any notice issued by or on behalf of the Seller or Purchaser with respect to this Agreement must also simultaneously be provided to the counsel for the receiving party to be effective as follows:

Seller:

Genesee Agri Business, LLC
Attn: Mark A. Masse
99 MedTech Drive
Suite 106
Batavia, New York 14020

Counsel for Seller:

Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Attention: Francis L. Gorman, III, Esq.
E-mail: flgorman@harrisbeach.com
Phone: (585) 419-8628

Purchaser:

La Fermiere, Inc.
205 North 9th Street
Brooklyn, NY 11211
ATTN: Lucas Praticci, VP

Outside Counsel for Purchaser:

Harter Secrest & Emery LLP
1600 Bausch & Lomb Place
Rochester, NY 14604
ATTN: Kelly A. Pronti, Esq.
Email: Kpronti@hselaw.com
Phone: (585) 905-1802

16. ACCESS TO PROPERTY/DUE DILIGENCE. At any time after the date upon which this Agreement is executed by both Purchaser and Seller ("Date of Acceptance") thru the expiration of the Due Diligence Review Period, Purchaser may inspect, survey, examine and/or test the Property and conduct such tests thereon as it deems appropriate, including any such non-invasive inspection, surveying, examination, and/or testing required to conduct such activities in support of locating the planned economic development project at the site to and including any activities necessary for the SEQR process, by agent or otherwise ("Inspections"). Purchaser acknowledges and agrees that it shall have no right to conduct drilling, soil boring or other invasive testing on the Property without first obtaining Seller's prior written consent, which consent shall be in Seller's sole and absolute discretion and predicated upon Purchaser presenting Seller with a detailed map of the location of where such invasive testing shall be conducted, a description of the nature of such invasive testing and whatever environmental or engineering reports upon which

Purchaser is basing its request for such drilling, soil boring or other invasive testing. Purchaser and/or its agents and employees shall have access to the Property at any reasonable time for purposes of making the foregoing inspections on prior reasonable notice to Seller. Unless otherwise agreed to in writing between the Purchaser and Seller, Purchaser shall bear all costs associated with the foregoing inspections and associated activities of the Property performed or conducted by Purchaser, or at the request of Purchaser, by its agent(s) or otherwise. Purchaser agrees to indemnify, defend and hold Seller harmless from all actual suits, causes of action, losses, payments and expenses, including, but not limited to, reasonable attorneys' fees (collectively, "Loss and Expense") arising from: (a) any personal injury or property damage caused by the Purchaser, or Purchaser's representatives, agents or employees during the inspection of the Property; and (b) any and all mechanics', laborers', materialmen's or other liens asserted against the Property resulting from Purchaser's foregoing inspections; which indemnity shall survive Closing or the earlier termination of this Contract. Purchaser agrees to return the Property in as near as possible its condition prior to Purchaser's entry thereon. Notwithstanding the foregoing, Purchaser's indemnification obligation pursuant to this paragraph 16 shall not apply to the extent any Loss and Expense results from the gross negligence or intentional misconduct of Seller.

17. **INTEREST IN PROPERTY.** Seller represents that, except for Seller there are no persons in possession or occupancy of the Property or any part thereof, nor are there any persons who have possessory rights in respect to the Property or any part thereof. Any possession, occupancy and/or possessory rights of any persons other than Seller, shall be terminated by Seller on or prior to the closing date.

18. **COMMON AREA CHARGES; COMMUNITY FEES.** The common area charges, association fees or other community fees or assessments (including, but not limited to, any charges, dues or fees due in connection with the Genesee Valley Agri-Business Park) shall not exceed One Thousand Nine Hundred and no/100 Dollars (\$1,900.00) annually for the first two (2) years following the Closing Date with annual 5% increases thereafter. The deed of conveyance shall provide for payment of such fees.

20. **APPLICABLE LAW.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. The parties further agree that for the purposes of litigation arising between the parties, venue shall be laid in Genesee County Supreme Court. The prevailing party shall be entitled to reasonable attorney fees and costs.

21. **COUNTERPARTS.** This Agreement may be signed in several counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same instrument. Any counterpart to which is attached the signatures of all parties shall constitute an original of this Contract.

22. **AUTHORITY.** Purchaser certifies to Seller that the execution, delivery and performance by Purchaser of this Agreement and the performance of the Purchaser of the transactions contemplated hereunder have been duly authorized by Purchaser and that the individual signing this Agreement on behalf of Purchaser has the full authority of Purchaser to enter into this Contract.

Seller certifies to the Purchaser that the Seller owns the Property and that the individual signing this Agreement on behalf of the Seller has the full authority of the Seller to enter into this Contract. Seller accepts the offer and agrees to sell on the terms and conditions set forth above.

23. ENVIRONMENTAL. Seller represents and warrants to the best of its actual knowledge without independent investigation or inquiry that it has not received written notice that the Property is in violation of any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material. The term "Hazardous Material" means any material, substance or waste that is listed, regulated, or otherwise defined as "hazardous," "toxic," "radioactive," or a "pollutant," or "contaminant" (or words of similar intent of meaning) under any applicable law, including but not limited to petroleum, petroleum by-products, asbestos or asbestos-containing material, toxic mold, poly chlorinated biphenyls, flammable or explosive substances, or pesticides.

24. EDA GRANT ASSISTANCE FOR PARK. The Seller and Purchaser acknowledge that the premises were improved, in part, with funding from the United States Economic Development (EDA), United States Department of Commerce, EDA Project Number 01-01-14201. Consequently, all recipients or owners and/or their successors and assigns, agree as follows:

a. The deed shall include a covenant that will restrict the use of the Property to industrial/business purposes and require the Property to be used in compliance with all federal and state laws. The covenant will be effective until September 28, 2032.

b. Upon written request, Purchaser agrees to provide Seller and/or EDA with available documents, evidence or reports generated in the normal course of business demonstrating that the Property is being used in compliance with federal and state law, including but limited to, applicable federal and state environmental laws.

25. PROMISSORY NOTE. Within thirty (30) days of the Date of Acceptance, Seller shall provide to Purchaser a proposed promissory note and other applicable security documents. The promissory note will be structured as a forgivable loan in the amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) to be held by Seller with a five (5) year term and to be forgiven by Seller after five (5) years upon Purchaser achieving the following performance benchmarks: a capital investment of at least \$25.8M and creation of one hundred thirty-five (135) jobs within five (5) years of the closing date pro-rated over the five (5) year period to correspond with the loan forgiveness.

***[REMAINDER OF PAGE HAS BEEN LEFT INTENTIONALLY BLANK
SIGNATURES ON FOLLOWING PAGE]***

GENESEE AGRI BUSINESS, LLC

By: _____
Name: _____
Title: _____
Date: _____, 2020

WITNESS: _____
Print Name: _____
Date: _____, 2020

PURCHASER: LA FERMIERE INC.

By: _____
Name: _____
Title: _____
Date: _____, 2020

WITNESS: _____
Print Name: _____
Date: _____, 2020

Exhibit A



Exhibit B

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, effective as of February __, 2020 (this "Agreement"), is by and among **LA FERMIERE INC.**, a Delaware corporation ("Buyer"), **GENESEE AGRICULTURE BUSINESS, LLC**, a New York limited liability company ("Seller"), and **HARRIS BEACH PLLC**, a New York professional service limited liability company, as escrow agent ("Escrow Agent").

WHEREAS, as of the date set forth above, Buyer and Seller have entered into a purchase agreement (the "PSA") whereby Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase, acquire and accept from Seller, certain property located in the Town of Batavia, Genesee County, New York consisting of part of tax parcel 13.-1-170.11 (the "Land"); and

WHEREAS, pursuant to the PSA, Buyer has agreed to pay to Seller an amount equal to Fifty Thousand Dollars (\$50,000.00) per acre, for approximately 20.00 acres, as consideration for the Land, subject to the provisions of Section 2 of the PSA (the "Purchase Price"); and

WHEREAS, pursuant to the PSA, Buyer shall deliver to the Escrow Agent within three (3) business days from the date set forth above, funds in the amount of Twenty Thousand Dollars (\$20,000.00) (the "Escrow Funds") as a good faith deposit with respect to the Land, to be released from escrow and delivered to Buyer and/or Seller in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements set forth herein and in the PSA, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Escrow Agent agrees to hold the Escrow Funds in escrow upon the terms and conditions set forth in this Agreement. Escrow Agent shall hold the funds in its attorney IOLA Trust Account. The Escrow Funds shall not be subject to lien or attachment by any creditor of any party hereto and shall be used solely for the purposes set forth in this Agreement.

2. Escrow Agent shall retain the Escrow Funds until Escrow Agent shall have received (a) a joint written instruction executed by Seller and Buyer directing delivery of the Escrow Funds, or (b) a final, non-appealable order (a "Decree") directing delivery of the Escrow Funds from a court with jurisdiction over the parties or from an arbitrator(s) selected by mutual agreement of Buyer and Seller, in which event Escrow Agent shall disperse the Escrow Funds in accordance with such written instructions or Decree. Any Decree shall be accompanied by a legal opinion by counsel for the presenting party satisfactory to Escrow Agent to the effect that the Decree is final and non-appealable. Escrow Agent may act on such Decree and legal opinion without further questions. Upon receipt of the joint written instructions, Escrow Agent shall release, by delivery of a check from Escrow Agent's trust account or by wire transfer to an account or accounts designated by Seller or Buyer, as the case may be, the amount specified in the joint written instructions.

3. Escrow Agent shall have the power, authority and discretion expressly conferred upon it by this Agreement, and shall not be required to perform any act or do anything not within such power, authority and discretion. All parties understand and agree that Escrow Agent is not a principal, participant or beneficiary of the underlying transaction which necessitates this Agreement. Escrow Agent shall be obligated only for the performance of such duties as are specifically set forth herein and may rely upon, and shall be protected in acting or refraining from acting upon, any written notice, instruction or request furnished to Escrow Agent hereunder and believed in good faith by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties. Escrow Agent may conclusively presume that each of the undersigned has full power and authority to instruct Escrow Agent on behalf of the respective party for which each of the undersigned has signed. Escrow Agent shall not be liable for any action taken by it in good faith without gross negligence and believed by it to be authorized or within the power, authority or discretion conferred upon it by this Agreement, and shall be protected in acting or refraining from acting in reliance upon an opinion of counsel or upon any certificate, request, instruction or other document believed by it to be genuine and to have been signed and presented by the proper party or parties. Escrow Agent shall be entitled to consult with its counsel and shall not be liable for any action taken or omitted by Escrow Agent in good faith in accordance with the opinion and advice of such counsel whether such counsel be a member or associate of Escrow Agent or independent counsel.

4. For and in consideration of its services hereunder, Escrow Agent shall be jointly and severally indemnified by Buyer and Seller against any loss, liability or reasonable expense incurred by Escrow Agent without gross negligence or bad faith on the part of Escrow Agent arising out of or in connection with any litigation involving its services as Escrow Agent hereunder, including the reasonable costs and expenses of defending itself against any claim of liability arising out of or in connection with its services as Escrow Agent hereunder. The provisions of Section 3 above and this Section 4 shall survive the termination of this Agreement and the resignation or removal of Escrow Agent.

5. Escrow Agent may resign at any time upon written notice to Seller and Buyer. Upon such resignation, Seller and Buyer shall use their reasonable efforts to select a successor escrow agent within ten (10) days after receiving such notice. If Seller and Buyer fail to appoint a successor escrow agent within such time, Escrow Agent shall have the right to petition any court contemplated by Section 10 for the appointment of a successor. Seller and Buyer, acting jointly, may terminate Escrow Agent at any time upon appointment of a successor Escrow Agent and written notice thereof to Escrow Agent. Any successor escrow agent shall execute and deliver an instrument accepting such appointment and it shall, without further acts, be vested with all the estates, properties, rights, powers, and duties of the predecessor escrow agent as if originally named as escrow agent. Upon delivery of such instrument, Escrow Agent shall be discharged from any further duties and liability under this Agreement. Escrow Agent shall be paid any outstanding amounts owed to Escrow Agent pursuant to Section 4 above prior to transferring the Escrow Funds to a successor escrow agent.

6. This Agreement shall terminate on the date upon which the Escrow Funds shall have been completely distributed pursuant to the terms and conditions contained herein, and Escrow Agent shall be relieved of all responsibilities in connection with this Agreement.

7. All notices required to be given pursuant to the terms and conditions of this Agreement shall be in writing and shall be deemed to have been received (i) at the time of personal delivery, (ii) if sent by email, when receipt thereof is acknowledged by a confirmation email sent by the recipient; provided that the sender follows up with delivery in accordance with clause (i), (iii) or (iv) herein, (iii) the next business day following the date on which the same has been delivered prepaid to a nationally recognized overnight courier service, or (iv) three (3) business days following deposit in the mail as registered or certified, postage prepaid. All such notices shall be addressed to the parties at their respective addresses set forth below:

Seller:

Genesee Agri Business, LLC
Attn: Mark A. Masse
99 MedTech Drive
Suite 106
Batavia, New York 14020

Counsel for Seller:

Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Attention: Francis L. Gorman, III, Esq.
E-mail: flgorman@harrisbeach.com
Phone: (585) 419-8628

Purchaser:

Lucas Praticci, Vice President
La Fermiere Inc.
205 North 9th Street
Brooklyn, New York 11211

Outside Counsel for Purchaser:

Harter Secrest & Emery LLP
1600 Bausch & Lomb Place
Rochester, NY 14604
ATTN: Kelly A. Pronti, Esq.
Email: Kpronti@hselaw.com
Phone: (585) 905-1802

8. This Agreement may not be amended, modified, supplemented or otherwise altered, except by a writing signed by each of the parties hereto.

9. This Agreement constitutes the entire agreement among the parties hereto with respect to the escrow of the Escrow Funds, and supersedes all prior and contemporaneous understandings and agreements with respect thereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement expressly sets forth all of the duties of Escrow Agent with respect to any and all matters pertinent hereto. No implied duties or obligations shall be read into this Agreement against Escrow

Agent. Escrow Agent shall not be bound by the provisions of any agreement among the other parties hereto except this Agreement.

10. This Agreement and all matters relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any provision thereof requiring application of the law of any other jurisdiction. The parties hereby agree that any dispute between or among them arising out of or in connection with this Agreement shall be adjudicated only before the New York State Supreme Court located in Genesee County New York, and they hereby submit to the exclusive jurisdiction of the New York State Supreme Court located in Genesee County New York with respect to any action or legal proceeding related hereto commenced by any party, and irrevocably waive any objection they now or hereafter may have respecting the venue of any such action or proceeding brought in such a court or respecting the fact that such court is an inconvenient forum, relating to or arising out of this Agreement, and consent to the service of process in any such action or legal proceeding by means of registered or certified mail, return receipt requested, in care of the respective addresses set forth in this Agreement for each party.

11. Seller acknowledges that Harris Beach PLLC is currently representing Seller as legal counsel in connection with the transactions contemplated by this Agreement, the PSA and related documents. Neither the agreement by the parties hereto that Harris Beach PLLC shall act as Escrow Agent, nor any other term of this Agreement, nor any other agreement or understanding between or among the parties hereto shall prevent or inhibit, or be construed or interpreted so as to prevent or inhibit, Harris Beach PLLC from serving at any time as legal counsel to Seller or any agent or affiliate of Seller, whether in connection with this Agreement or otherwise. Escrow Agent shall be responsible for holding, and disbursing the Escrow Funds pursuant to this Agreement, but in no event shall it be liable for any exemplary or consequential damages hereunder when its acts, taken or omitted, are in good faith. The duties and responsibilities of Escrow Agent hereunder shall be determined solely by the express provisions of this Agreement and no other or further duties or responsibilities shall be implied. Escrow Agent shall not have any liability under, nor duty to inquire into the terms and provisions of any agreement or instructions, other than outlined in this Agreement.

12. Should any controversy arise between or among the undersigned with respect to this Agreement or with respect to the Escrow Funds, Escrow Agent shall have the right to consult counsel of its choice (which may be a member or associate of Escrow Agent or independent counsel) and/or to institute a bill of interpleader in any court of competent jurisdiction to determine the rights of the parties. Should such actions be necessary, or should Escrow Agent become involved in litigation in any manner whatsoever on account of this Agreement or the Escrow Funds, each of Buyer and Seller, jointly and severally, hereby binds and obligates itself to pay any and all reasonable attorney's fees (including internal reasonable legal fees of Escrow Agent) incurred by Escrow Agent, and any other reasonable disbursements, reasonable expenses, losses, costs and damages incurred by Escrow Agent, in connection with or resulting from such actions.

13. Except to the extent caused by the gross negligence or bad faith of Escrow Agent, Escrow Agent shall have no liability for loss arising from any cause beyond its control, including, but not limited to, the following:

(i) the act, failure or neglect of any agent or correspondent selected by Escrow Agent or the parties hereto;

(ii) any delay, error, omission or default connected with the remittance of funds;

(iii) any delay, error, omission or default of any mail, telephone, electronic mail or wireless agency or operator; or

(iv) the acts or edicts of any government or governmental agency or other group or entity exercising governmental powers.

14. The provisions of this Agreement may not be waived, altered, amended or supplemented, in whole or in part, except by a writing signed by all of the parties hereto.

15. Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by any party without the prior consent of the other parties.

16. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[No further text on this page; Signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has executed and delivered this Escrow Agreement as of the date first above written.

SELLER:

GENESEE AGRI BUSINESS LLC, a New York limited liability company

By: _____
Name:
Title:

BUYER:

LA FERMIERE INC., a Delaware corporation

By: _____
Name:
Title:

ESCROW AGENT:

HARRIS BEACH PLLC

By: _____
Francis L. Gorman, III, Member