

RESOLUTION

A meeting of the Sullivan County Resort Facilities Local Development Corporation ("SCRFLDC") was convened in public session at the Sullivan County Government Center, 100 North Street, Monticello, New York on August 11, 2025 at 9:00 a.m. local time.

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

	<u>PRESENT</u>	<u>ABSENT</u>	<u>VIDEO</u>
Howard Siegel	[√]	[]	[]
Kathleen Lara	[√]	[]	[]
Philip Vallone	[]	[]	[√]
Scott Smith	[√]	[]	[]
Paul Guenther	[]	[]	[√]
Sean Brooks	[√]	[]	[]
Ira Steingart	[√]	[]	[]
Joseph Perrello ¹	[]	[√]	[]
Edward T. Sykes	[√]	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director

Ira Steingart, Chief Executive Officer

Julio Garaicoechea, Project Manager

Bethanii Padu, Economic Development Coordinator

Walter F. Garigliano, General Counsel

Shawn M. Griffin, Bond Counsel

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

Resolution No. 08 - 2025

RESOLUTION AUTHORIZING EXECUTION OF A SUBLEASE AGREEMENT RELATING TO REAL PROPERTY OWNED BY MONTREIGN OPERATING COMPANY, LLC ("MOC") AND EXECUTION OF A DEFERRED PAYMENTS SUBORDINATION AGREEMENT

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively referred to as the "Act"), and pursuant to its Certificate of Incorporation filed on April 25, 2025 (the "Certificate"), SCRFLDC 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

¹ Arrived after roll call but prior to any resolutions being considered for adoption.

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, MOC holds fee title to 185.54 acres of real property located generally at 888 Resorts World Drive, Monticello, County of Sullivan, New York (the "Casino Parcel"), which Casino Parcel is composed of (i) the "Casino Gaming Floor Area" consisting of approximately 179,000 square feet of the Casino Parcel which is used for the conduct of MOC's casino business (the "Casino Gaming Floor Area") and (ii) the "Non-Gaming Resort Area" which is comprised of the Casino Parcel less the Casino Gaming Floor Area (the "Non-Gaming Resort Area"); and

WHEREAS, MOC intends to enter into a Second Amended and Restated Lease to Agency between MOC and the County of Sullivan Industrial Development Agency (the "Agency") for the Casino Parcel, to be memorialized by that certain Third Amended Memorandum of Amended and Restated Lease to Agency to be recorded in the Office of the Clerk of Sullivan County, together with a Second Amended and Restated Leaseback to Company between the Agency and MOC, to be memorialized by a Third Amended Memorandum of Amended and Restated Leaseback to Company to be recorded in the Office of the Clerk of Sullivan County (the aforementioned Second Amended and Restated Lease to Agency and Second Amended and Restated Leaseback to Company being hereby collectively referred to as the "Agency Lease Agreements"); and

WHEREAS, MOC conducts the following activities (collectively, the "Casino Business") on and within the Casino Gaming Floor Area; (i) the conduct of the casino gaming business and the operation of the slot machines, live table games, VIP gaming saloons, poker and sports betting lounge at the Casino Gaming Floor Area; (ii) the conduct of any other casino-style gambling or other gaming activities at the Casino Gaming Floor Area; (iii) the conduct of virtual casino-style or sports book gambling or other gaming activities on the internet or any social media platform or mobile application (collectively, items (i) – (iii), the "casino games"); (iv) the operation of automated teller machines located throughout the Casino Parcel; and (v) the operation of the cage and back of house components for the casino games (including the data room count room, surveillance, services and conduits for the connecting cables, and any other infrastructure necessary to operate and manage the casino games including but not limited to the backup power generator); and (vi) the operation of the data server room hosting online wagering; and

WHEREAS, SCRFLDC intends to acquire certain buildings, improvements and personal property on the Non-Gaming Resort Area (the "Non-Gaming Resort Area Improvements") utilized for, without limitation, (i) the sale of food, beverages (both alcoholic and non-alcoholic) and other refreshments from fixed concession stands, in-room dining, food courts, banquet rooms, buffets, restaurants, bars, booths, kiosks, mobile stands, and vending machines and any other food service functions (excluding the beverage services (both alcoholic and non-alcoholic) conducted at or from the Casino Gaming Floor Area which are maintained and operated at MOC's expense); (ii) the provision of lodging and all services related to lodging from the 18-story all-suite hotel; (iii) the provision of valet parking services and other parking revenue; (iv) rental, license or lease of convention rooms, meeting rooms and group facilities; (v) catering and event services; (vi) the sale of retail merchandise; (vii) the operation of the 2,500-seat Epicenter multipurpose venue; (viii) the operation of the Awana Spa; (ix) the provision of the fitness

center/swimming pools; and (x) the provision of tours and travel services (the "Non-Gaming Resort Business"); and

WHEREAS, in order to finance the purchase of the Non-Gaming Resort Business, SCRFLDC intends to issue its tax-exempt bonds, Series 2025 ("Bonds") pursuant to an Indenture of Trust and Security Agreement ("Indenture") by and between SCRFLDC and U.S. Bank Trust Company, National Association, as trustee ("Trustee"); and

WHEREAS, the Agency and SCRFLDC intend to enter into an Economic Development Services Agreement pursuant to which SCRFLDC shall provide economic development services to the Agency within an area that includes the Non-Gaming Resort Area (the "Economic Development Services Agreement"); and

WHEREAS, MOC desires to grant a subleasehold estate to SCRFLDC and SCRFLDC desires to obtain a subleasehold estate in the Non-Gaming Resort Area for a term of forty (40) years, which term exceeds the useful life of the Non-Gaming Resort Area Improvements; and

WHEREAS, SCRFLDC desires to authorize its Chairman, Chief Executive Officer or Executive Director ("Authorized Officers") to negotiate, execute and deliver a Sublease Agreement relating to the Casino Parcel pursuant to which SCRFLDC will have sole and exclusive possession of the Non-Gaming Resort Area; and

WHEREAS, rent due MOC under the Sublease Agreement may be deferred in the event sufficient funds are not available to make current rent payments ("Deferred Rent"); and

WHEREAS, MOC has agreed to subordinate its right to receive Deferred Rent until funds to pay Deferred Rent become available or until a fixed future date; and

WHEREAS, to memorialize the agreements of MOC and SCRFLDC relating to Deferred Rent, MOC, SCRFLDC and the Trustee plan to enter into a Deferred Payments Subordination Agreement; and

WHEREAS, SCRFLDC desires to authorize the Authorized Officers to negotiate, execute and deliver a Deferred Payments Subordination Agreement.

NOW, THEREFORE, BE IT RESOLVED as follows:

- Section 1. The Authorized Officers of SCRFLDC are hereby authorized and directed to negotiate, execute and deliver a Sublease Agreement relating to the Casino Parcel.
- Section 2. The Sublease Agreement shall require MOC to deliver to SCRFLDC sole and exclusive possession of the Non-Gaming Resort Area and provide that SCRFLDC shall have quiet and peaceable possession of the Non-Gaming Resort Area throughout the sublease term, without hindrance by MOC or any persons claiming by, through or under MOC.

- Section 3. The Sublease Agreement shall commence effective on the Closing Date and shall terminate on the earlier of (i) February 15, 2066; or (ii) upon filing a certificate signed by an authorized representative of each of SCRFLDC and MOC stating the parties' intention to terminate the Sublease Agreement.
- Section 4. The Sublease Agreement shall provide for SCRFLDC to pay rent to MOC in the amount of Two Million Eight Hundred Seventy-Seven Thousand and 00/100 (\$2,877,000.00) Dollars per annum, payment of which shall commence following a rent-free period through December 31, 2025, subject to CPI Adjustments in equal monthly installments in advance on the first (1st) business day of each calendar month. (commencing January 1, 2026) (the "Base Rent").
- Section 5. The Sublease Agreement shall include a provision whereby MOC shall acknowledge that the Sublease Agreement is being entered into in connection with the issuance of the Bonds pursuant to the Indenture between SCRFLDC and Trustee and for so long as the Bonds are outstanding there are provisions available to defer payments of Deferred Rent.
- Section 6. The Authorized Officers of SCRFLDC are hereby authorized and directed to negotiate, execute and deliver a Deferred Payments Subordination Agreement.
- Section 7. The Authorized Officers are hereby authorized and directed for and in the name and on behalf of SCRFLDC to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the Authorized Officers acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by SCRFLDC with all of the terms, covenants and provisions of the documents executed for and on behalf of SCRFLDC.
- Section 8. This resolution shall take effect immediately.

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

Howard Siegel	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Kathleen Lara	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Philip Vallone	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Scott Smith	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Paul Guenther	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Brooks	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Ira Steingart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Joseph Perrello	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Edward T. Sykes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolutions were thereupon duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

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

1. I have compared the foregoing copy of a resolution of the Sullivan County Resort Facilities Local Development Corporation ("SCRFLDC") with the original thereof on file in the office of SCRFLDC, and that the same is a true and correct copy of such resolution and of the proceedings of SCRFLDC in connection with such matter.
2. Such resolution was passed at a meeting of SCRFLDC duly convened in public session on August 11, 2025 at 9:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>	<u>VIDEO</u>
Howard Siegel	[<input checked="" type="checkbox"/>]	[]	[]
Kathleen Lara	[<input checked="" type="checkbox"/>]	[]	[]
Philip Vallone	[]	[]	[<input checked="" type="checkbox"/>]
Scott Smith	[<input checked="" type="checkbox"/>]	[]	[]
Paul Guenther	[]	[]	[<input checked="" type="checkbox"/>]
Sean Brooks	[<input checked="" type="checkbox"/>]	[]	[]
Ira Steingart	[<input checked="" type="checkbox"/>]	[]	[]
Joseph Perrello	[<input checked="" type="checkbox"/>]	[]	[]
Edward T. Sykes	[<input checked="" type="checkbox"/>]	[]	[]


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

Howard Siegel	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Ira Steingart	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain

and therefore, the resolution was declared duly adopted.

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

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 11th day of August, 2025.



Kathleen Lara, Secretary