

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR FINANCIAL ASSISTANCE

PART

I

(TO BE FILLED OUT BY ALL APPLICANTS)

A. APPLICANT INFORMATION

Applicant's Name: <u>Liptis Holdings, LLC and Liptis Pharmaceuticals USA, Inc</u>	
Address: <u>110 Red Schoolhouse Road, Spring Valley, N.Y. 10977</u>	
Phone/Fax Numbers:	
IRS Employer ID Number:	
S.I.C. Code:	NY State Dept. of Labor # (if applicable):
Date of Application Submission: <u>4/17/2013</u>	

Officer of Applicant completing this application (contact person):

Name: Sami Omar
 Phone: (845) 627-0260
 e-mail: _____

Title: President / member
 Fax: _____
 Company website: www.liptis.com

Applicant's operation: Manufacturing Service Commercial Retail Not-for-Profit Other

Brief description of business:

manufacturing of pharmaceuticals and nutraceutical products

To describe what kind of entity Applicant is, please check one of the following:

- Public Corp. Private Corp. General Partnership Limited Partnership S Corp.
 Limited Liability Company 501(c)(3) Other (specify)

Applicant's State of Incorporation or Registration: New York

State(s) in which Applicant is qualified to do business: New York

Applicant's Attorney - Name: Brendan DeRissi phone: (516) 296-7000 fax: _____

Firm and Address: Certilman Belin, LLP, 90 Merrick Ave, East Meadow NY 11557

Applicant's Accountant - Name: Holtz Rubenstein (TAX) phone: (631) 754-7400 fax: _____

Firm and Address: 125 Baylis Road, Melville, NY

Piccirillo & Knapp PLLC (AUDIT)

(718) 285-0839

1-1

28-35 48th Street

Astoria, New York 11103

Date Received _____

B. PROJECT INFORMATION

1. Please briefly describe the proposed project; if machinery and equipment are to be acquired, please list the type(s):

Refinance of current mortgages
Obtain new financing for purchase of equipment and inventory

2. Address of proposed project:

110 Reed Schoolhouse Road
Spring Valley, NY 10977

3. Town and/or village in which proposed project will be located:

Spring Valley

4. Please give best estimates for all anticipated costs and proposed sources of financing involved in the project:

<u>Uses of Funds</u>		<u>Sources of Funds</u>	
Land & building (acquisition)	\$ _____	Agency bonds	_____
New construction	\$ _____	Bank Loans (Please identify sources) <u>TD Bank loans</u>	\$ <u>3,650,000 -</u>
Renovations/Building improvements	\$ _____	Company funds	_____
Machinery/Equipment	\$ <u>1,000,000 -</u>	Officer Equity/Loans	_____
Fees/ Other Soft Costs	\$ _____	Other sources (Please identify)	_____
Other (explain) <u>refinance</u>	\$ <u>2,650,000 -</u>		
Total Project Costs	\$ <u>3,650,000 -</u>	Total Project Sources	\$ <u>3,650,000 -</u>

Please explain costs, loans and other sources of funding on a separate sheet.

5. If all or a portion of the proposed project is used in making retail sales or services, please complete the Retail Questionnaire attached hereto.

6. Please provide the following information regarding all present and proposed tenant(s) and sub-tenant(s) at the proposed project site, their percentage of occupancy, and affiliation with the Applicant.

Name & Phone	Affiliation with Applicant	Square Feet & Floor (Percent of Occupancy)	Lease Expiration	Tenant Business
<u>Liptis Pharmaceutical</u>	<u>operating company</u>	<u>100 %</u>		

7. Is there a relationship, by virtue of common control or through related persons, directly or indirectly, between the Applicant and the present owner of the project site?

Yes No If Yes, please provide all details on attached sheet.

8. Will a real estate holding company, limited liability company, or partnership be formed to own the project or premises?

Yes No N/A

If yes, please provide the name and address of same, the kind of entity (corporation, partnership, etc.), and its officers, partners, shareholders, members, and their respective percentage ownership, etc.

C. EMPLOYMENT INFORMATION

Complete the following information for the project location only. Do not include any subcontractors or sub-consultants; include only employees and owners/principals on your payroll and on the payroll of your tenants at the project location. (Note: If the project is to be leased, provide responses to the following questions for the tenant on a separate attachment.) The Applicant acknowledges by submitting this application that it will adhere to the County of Rockland Industrial Development Agency Labor Policy and General Municipal Law, Article 18-A, Section 858-b Equal Employment Opportunities. (See Appendix B)

1. Number of jobs to be created and/or retained by the Applicant: 28

Projected Employment for the Applicant on an annual basis:

1st 2nd 3rd 4th 5th 6th 7th year

2. Total projected number of new jobs to be created over the next 7 years by the Applicant: 10

3. How many employees does Applicant employ in Rockland County as of the date of this Application?

Full Time 5 Part Time 5

4. How many employees does Applicant employ outside of Rockland County, but in New York State, as of the date of this Application?

Full Time _____ Part Time _____

5. Does Applicant intend to employ new employees at the proposed site, and/or will Applicant transfer current employees from premises presently being used? Please provide details. _____

6. Will the completion of the project result in the abandonment and/or removal of a plant or facility of Applicant, or of a proposed occupant of the project, or employees of either, from an area in New York State (but outside of Rockland County) to an area within Rockland County?

Yes No

If the answer to "6" is Yes, provide the following information:

Address of the to-be-removed plant or facility:

Names of all current occupants of the to-be-removed plant or facility:

Address of the to-be-abandoned plant or facility:

Names of all current occupants of the to-be-abandoned plant or facility:

If the answer to "6" is Yes, please continue and answer "7" and "8."

7. Is the project reasonably necessary to preserve the competitive position of the Applicant, or of any proposed occupant of the project, in its industry?

Yes No

8. Is the project reasonably necessary to discourage the Applicant, or any proposed occupant of the project, from removing such plant or facility to a location outside New York State?

Yes No

If the answer to "7" and/or "8" is Yes, please provide information below. (If additional space is required, attach a separate sheet of paper.)

The current interest rates being paid are well above current rates and creating unnecessary financial expense.

9. Does the Applicant have any agreement to contract with a municipality for the lease or purchase of the project or any project facilities?

Yes No

If the answer to "9" is Yes, the project is not eligible for financial assistance by the Agency.

D. FINANCIAL ASSISTANCE REQUESTED

Please check all that apply:

<input type="checkbox"/>	Tax-exempt bond financing	Amount Requested	\$ _____	1.3% of \$3,650,000 -
<input checked="" type="checkbox"/>	Taxable bond financing	\$ _____	\$ _____	
<input checked="" type="checkbox"/>	Mortgage recording tax exemption	\$ <u>47,450.00</u>	\$ _____	
<input type="checkbox"/>	Sales tax exemption	\$ _____	\$ _____	

Will you be requesting a payment in lieu of taxes (PILOT) agreement? Yes No

If payments in lieu of taxes are requested, the Applicant may be entitled to such tax abatements and benefits as the affected taxing jurisdictions (village, town and county governments, and local school district) agree to provide. **Please do not indicate a dollar amount on this form.**

E. DUE DILIGENCE

1. List name(s), address(es), phone and fax numbers of any other entity in which, directly or indirectly, Applicant or any of its shareholders, partners, directors, or officers individually or collectively hold 5% or more of the stock or ownership interest (an Affiliate). Please include real estate holding company, if applicable.

Entity Name	Address	Phone/Fax Number	Percent Interest

2. Has Applicant, or any stockholder, partner, officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior or current)?

Yes No If Yes, please provide all details on attached sheet.

3. Have any of Applicant's stockholders, partners, officers or directors ever been convicted of any criminal proceedings?

Yes No If Yes, please provide all details on attached sheet.

4. Is Applicant, or any stockholder, partner, officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?

Yes No If Yes, please provide all details on attached sheet.

5. If you responded Yes to the previous two questions, in what litigation is Applicant, or any of the individuals and entities currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.

6. Does Applicant have any material contingent liabilities? (e.g., pending claims; federal, state or local tax liens and liability.)

Yes No

If Yes, please provide all details on an attached sheet.

7. Has Applicant filed all required tax returns with appropriate governmental jurisdiction entities?

Yes No

If No, please provide all details on attached sheet.

Please provide the following information:

8. Company Principals (Please attach brief resumes and relationship, if any, among company principals.)

Name	Title	Address	Social Security Number	Date of Birth
Same as				
2008 application				
on file				

9. Banking Relationships

Bank Name	Contact Person	Phone/Fax	Type of Account
Same as			
2008 application			
on file			

F. ANALYSIS OF THE COSTS AND BENEFITS OF THE PROJECT

Please describe the costs and benefits of the proposed project for the affected taxing jurisdictions. The analysis should compare the costs and benefits of the project both (i) assuming the financial assistance requested by this application is granted and (ii) assuming no financial assistance is approved. Please contact the IDA Executive Director if assistance is required in completing this section.

G. ADDITIONAL DOCUMENTATION TO BE INCLUDED WITH APPLICATION

1. Please include as an attachment to the Application:
 - a. **Financial statements** for the last three years and corporate tax returns for the last three fiscal years if the statements are neither audited nor reviewed. If Applicant is privately owned, financial statement of each owner (5% or more) of Applicant for the last fiscal year.
 - b. **Cost Benefit Analysis** (page I-6) must be completed in order for a project to be reviewed by the IDA for inducement. Please contact the IDA Administrator if you require assistance with the analysis.
 - c. If applicable, draft or final (as the case may be) contract of sale, ground lease or space lease, for acquiring title or leasehold title to the proposed site. **NOTE: If contract or lease is executed and delivered prior to inducement/approval by the Agency's members, such contract or lease must have a contingency for the benefit of the Applicant to terminate such contract or lease and to get back its down payment/deposit in the event that the Agency's members fail to induce/approve the project.**
 - d. **Inducement Letter** . Please provide a letter addressed to County of Rockland Industrial Development Agency detailing (i) potential alternatives to Agency assistance and specific steps taken by Applicant to explore such alternatives, (ii) why Applicant would have pursued such alternatives but for the availability of Agency assistance, (iii) how and whether Applicant would proceed if Agency assistance were not approved, and (iv) the potential economic development contribution of the project to the County's economy.
 - e. Please provide a job description of key management personnel including principals who have major responsibilities.
 - f. Please provide a detailed history of the company and a detailed description of the company's business.
2. **Application Fee: \$500.00 (non-refundable), payable to County of Rockland Industrial Development Agency.** *To be paid at closing*
3. Retail questionnaire, I-8
4. Applicant certification, I-9
5. Part II - if applicable, for a straight lease transaction
6. Part III - if applicable, for taxable bond financing
7. Part IV - if applicable, for tax exempt bond financing
8. APPENDIX A: SHORT ENVIRONMENTAL ASSESSMENT FORM
9. APPENDIX B: LABOR POLICY AND EQUAL EMPLOYMENT OPPORTUNITIES
10. **Please provide one (1) original copy of the completed application and its additional documentation.**

Note: Rockland County law requires that any person engaged in the electrical, plumbing, heating and ventilation business within the County of Rockland must be licensed or employed by a person so licensed. The County of Rockland Industrial Development Agency encourages the employment of Rockland County's workforce.

RETAIL QUESTIONNAIRE

- A. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?
 Yes No
- B. If the answer to question A is Yes, will the applicant or any other project occupant be a registered vendor under Article 28 of the Tax Law of the State of New York (the Tax Law) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(l) of the Tax Law)?
 Yes No
- C. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?
 Yes No
- D. If the answer to question A or question C is Yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?
_____ %
- E. If the answer to question A or question C is Yes, and the answer to question D is more than 33.33%, indicate whether any of the following apply to the Project:
- (1) Will the Project be operated by a not-for-profit corporation?
 Yes No
 - (2) Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located?
 Yes No
 - (3) Would the project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York?
 Yes No
 - (4) Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to County residents, because of a lack of reasonably accessible retail trade facilities offering such goods or services?
 Yes No
- F. If the answers to any of subdivisions (3) through (4) of question E is Yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?
 Yes No If Yes, please furnish details in a separate attachment.
- G. If the answer to any of the subdivisions (1) through (4) of question E is Yes, please furnish details in a separate attachment.

APPLICANT CERTIFICATION

Liptis Holdings, LLC
Liptis Pharmaceuticals USA, Inc.

_____ ("Applicant") requests that this Application, including financial data and any tax returns submitted herewith, be submitted for review by the members of the County of Rockland Industrial Development Agency (the "Agency"). Applicant hereby certifies that the information contained herein and in the attachments hereto, are, to the best of Applicant's knowledge and belief, accurate, true and correct. Applicant understands that any intentional misstatements or misleading information contained herein, or the omission of relevant information, could be cause for rescission of Agency approval and Agency benefits. Further, Applicant fully understands and accepts the fees associated with the Agency program, including but not limited to the Agency Administrative Fee; and Applicant acknowledges receipt from the Agency of the Agency's "General Information" and review of the information set forth therein.

Applicant hereby acknowledges and agrees that it shall be, and is responsible for, and shall promptly pay all costs incurred by the Agency, including the fees and expenses of its counsel, in connection with document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

Applicant understands that the Agency may be requested to disclose the information contained in this Application and the attachments hereto, under applicable disclosure laws, or at the request of investigative law enforcement or other governmental bodies. Applicant authorizes, on behalf of itself and all other persons providing information for this Application, the Agency to disclose any such information, under such law or where so requested. Applicant also authorizes the Agency at its discretion to transmit this Application, including any financial data or tax returns submitted herewith, to the Agency's counsel.

Applicant acknowledges and agrees that the Agency reserves the right to require Applicant to submit, at Applicant's sole expense, such other documentation as the Agency may require in addition to the documentation required hereunder, and that all such documentation, whether requested hereunder or hereafter, shall be provided at Applicant's sole cost and expenses, and shall be in form and substance satisfactory to the Agency. By submitting this Application, Applicant agrees that if the Agency provides financial assistance for the project, Applicant will comply with all applicable laws relating to projects for which the Agency provides financial assistance.

Enclosed with this Application is the Application Fee in the amount of \$500.00.

Date: April 17, 2013 Certification by Applicant: 

Name: Sami Omar Title: President / Member