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April 18, 2013

Via E-Mail & Regular Mail

County of Rockland IDA
Two Blue Hill Plaza, 3rd Floor
Pearl River, New York 10965
Attn: Steven Porath, Executive Director

Re: Inducement Letter

Dear Mr. Porath:

This firm represents Liptis Holdings, LLC and its affiliate/operating company Liptis Pharmaceuticals USA, Inc. My clients manufacture pharmaceutical and nutraceutical products, which are then distributed internationally. My clients purchased the 110 Red Schoolhouse Road facility in January of 2009 in conjunction with the Rockland IDA (the "Premises"). Since purchasing the Premises, my clients have invested substantial sums to build a state-of-the-art manufacturing facility.

My clients are attempting to refinance the current mortgages encumbering the Premises and they are additionally attempting to procure a secured line of credit with new loans from TD Bank, N.A. The new loans from TD Bank, N.A. would be in the sums of \$2,650,000.00 (first mortgage) and \$1,000,000.00 (second mortgage).

The proceeds of the first mortgage would be used to refinance the existing mortgages held by New York Business Development Corporation and Empire State Certified Development Company. The current mortgage loans have interest rates substantially higher than the new proposed loans. The anticipated interest savings will be reinvested into additional improvements at the Premises.

The second mortgage would secure a line of credit loan to Liptis Pharmaceuticals USA, Inc. The proceeds of line of credit will be used towards the purchase of essential equipment at the Premises. This should result in increased production and the need for additional employees at the Premises. In the event my clients cannot procure the IDA benefits necessary to expand operations and purchase additional equipment at the Premises, they would be compelled to move a portion of their operations to an alternative facility.



We respectfully request Rockland IDA's consent to the proposed financing and we also request that Rockland IDA provide the necessary mortgage recording tax exemption documents. All other terms and conditions of the PILOT and IDA lease/sublease would remain unchanged.

My clients thank you for your continued support of their business and for your attention to this matter.

Very truly yours,

Brendan J. DeRiggi

BJD:tl

cc: Sharif Omar
Sami Omar
Brian Quinn, Esq.