

Resolution authorizing the issuance and sale of up to \$145,000,000 Special Senior Airport Facility Revenue Refunding Bonds (Aero JFK, LLC Project at JFK International Airport), Series 2012 of the New York City Industrial Development Agency and authorizing and approving the execution and delivery of documents and other matters in connection therewith

WHEREAS, the New York City Industrial Development Agency, New York, New York (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, on August 16, 2001 the Agency issued its \$152,675,000 Special Airport Facility Revenue Bonds (2001 Airis JFK I, LLC at JFK International Airport) (the “2001 Bonds”) to finance for Airis JFK I, LLC (“Airis”) a portion of the costs of the construction and equipping of two industrial and warehousing facilities (collectively, the “Facilities”) consisting of (i) the construction of an approximately 262,515 square foot air cargo and aircraft related service facility (the “Tract 8 Facility”) at a site known as Tract 8 in Cargo Area B at John F. Kennedy International Airport, Queens, New York (the “Airport”), the construction of site improvements, and the acquisition and installation of machinery, equipment and fixtures in connection therewith, all for use in providing air cargo and aviation support facilities to tenants conducting aviation related activities, and (ii) the construction of an approximately 172,100 square foot air cargo and aircraft related service facility (the “Tract 9A Facility”, and, together with the Tract 8 Facility, the “Facilities”) at a site known as Tract 9A at the Airport, the construction of site improvements, and the acquisition and installation of machinery, equipment and fixtures in connection therewith, all for use in providing air cargo and aviation support facilities to tenants conducting aviation related activities (collectively, the “Project”); and

WHEREAS, the Facilities were leased by The Port Authority of New York and New Jersey (the “Port Authority”) to Airis pursuant to two certain leases (the “Ground Leases”), subleased by Airis to the Agency, and then sub-subleased by the Agency to Airis, and Airis entered into various financing documents in connection with the issuance of the 2001 Bonds (the “2001 Financing Documents”); and

WHEREAS, on April 29, 2005, Aero JFK, LLC (“Aero”) acquired by purchase the interest of Airis in the Facilities and assumed all obligation of Airis under the Ground Leases and the 2001 Financing Documents; and

WHEREAS, affiliates of Aero have entered into various bond financing transactions throughout the country, and Aero and its affiliates (collectively, the “Obligated Group”) desire to refund the 2001 Bonds and certain of such other bond financings (the “Other

Bond Financings”) through the issuance of revenue refunding bonds by the Wisconsin Public Finance Authority (the “PFA”) and one or more other issuers (the “Other Issuers”) for the Other Bond Financings, and the issuance by the Agency of its JFK Refunding Bonds (as defined below) to refund the Agency’s 2001 Bonds; and

WHEREAS, in order to provide common collateral for the refunding bonds to be issued by the Agency, by PFA and by the Other Issuers (and for any future such issuances), it is intended that:

(i) the Obligated Group will enter into a Master Trust Indenture (the “Master Trust Indenture”) with a financial institution to act as Master Trustee (the “Master Trustee”) pursuant to which substantially all revenues from the Obligated Group or otherwise derived from the facilities made subject to the Master Trust Indenture will be paid to, administered and disbursed by the Master Trustee; and

(ii) the Obligated Group will deliver Master Notes in favor of the trustee for the Agency’s refunding bonds and the trustees for the refunding bonds of the PFA and of the Other Issuers, creating a joint and several obligation of the Obligated Group with respect to each such underlying indebtedness; and

(iii) any mortgages to be granted as security relative to either refunding bond issuance will be granted in favor of the Master Trustee; and

WHEREAS, in order to refund the Agency’s 2001 Bonds, Aero has requested that the Agency issue, and the Agency intends to issue, its Special Senior Airport Facility Revenue Bonds (Aero JFK I, LLC Project at JFK International Airport), Series 2012 (the “JFK Refunding Bonds”) in the aggregate principal amount of up to \$145,000,000 (or such greater amount not to exceed \$159,500,000, such principal amount to be determined by certificate of determination of an Agency officer (the “Certificate of Determination”)), all pursuant to the Act, and to secure said JFK Refunding Bonds pursuant to an Indenture of Trust, as amended by a First Supplemental Indenture of Trust (collectively, the “Indenture”), to be entered into between the Agency and The Bank of New York Mellon or U.S. Bank National Association, as trustee (such bank to be selected by Certificate of Determination, the “Trustee”); and

WHEREAS, in connection with the issuance of JFK Refunding Bonds, it is intended that Aero will sublease the Facilities to the Agency pursuant to a Company Sublease Agreement between Aero and the Agency (the “Company Sublease”), and the Agency will either (y) sub-sublease the Facilities to Aero pursuant to a Lease Agreement between the Agency and Aero (the “Lease Agreement”), or (z) sell its leasehold interest in the Facilities under the Company Sublease to Aero pursuant to an Installment Sale Agreement between the Agency and Aero (the “Installment Sale Agreement”), as shall be finally determined by Certificate of Determination (the Lease Agreement or the Installment Sale Agreement, being referred to as the “Financing Agreement”);

NOW, THEREFORE, BE IT RESOLVED BY THE NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby determines that the refunding of the 2001 Bonds by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act and hereby authorizes Aero to proceed with the refunding of the 2001 Bonds. The Agency further determines that:

(a) the refunding of the 2001 Bonds shall not result in the removal of any facility or plant of Aero or any other occupant or user of either of the Facilities from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of Aero or any other occupant or user of either of the Facilities located within the State of New York but outside of the City;

(b) no funds of the Agency shall be used in connection with the refunding of the 2001 Bonds for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the refunding of the 2001 Bonds to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York, and

(c) not more than one-third of the total cost of the refunding of the 2001 Bonds is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide for the refunding of the Agency's 2001 Bonds through the issuance of the JFK Refunding Bonds and the establishment of a debt service reserve fund and payment of certain costs of issuance in connection therewith, the issuance of the JFK Refunding Bonds of the Agency is hereby authorized subject to the provisions of this Resolution and the Indenture hereinafter authorized.

The JFK Refunding Bonds shall be dated as provided in the Indenture, shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof, shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at a fixed interest rate(s) payable semiannually for serial and/or term bonds (such interest rate(s) to be finally approved by a Certificate of Determination but not less than three percent (3%) nor greater than eight percent (8%) per annum), and shall have a final maturity date of the earlier of the expiration of the Ground Leases and approximately 25 years following their date of original issuance (except as the provisions set forth in the Indenture with respect to redemption prior to maturity may become applicable thereto) as term and/or serial maturities (such final maturity to be determined by Certificate of Determination), as set forth in the JFK Refunding Bonds.

The provisions for signatures, authentication, denominations, payment, delivery, redemption and number of the JFK Refunding Bonds shall be as set forth in the Indenture hereinafter authorized.

Section 3. The JFK Refunding Bonds shall be secured by the pledge effected by the Indenture and shall be payable solely from and secured by a pledge of the payments, revenues and receipts derived from or in connection with the Facilities to the extent set forth in the Indenture and the Financing Agreement hereinafter authorized. The JFK Refunding Bonds, together with the interest thereon, are special obligations of the Agency, payable solely as provided in the Indenture including from moneys deposited in certain of the Funds, Accounts and Subaccounts established under the Indenture (subject to disbursements therefrom in accordance with the Financing Agreement and the Indenture) and shall never constitute a debt of the State of New York or of The City of New York and neither the State of New York nor The City of New York shall be liable thereon, nor shall the JFK Refunding Bonds be payable out of any funds of the Agency other than those pledged therefor. The Obligated Group will execute a Master Note in favor of the Trustee to be jointly and severally obligated with respect to the indebtedness represented by the Financing Agreement. Further, pursuant to a Mortgage and Security Agreement from Aero and the Agency to the Master Trustee (the "Project Mortgage"), (A) Aero will grant a mortgage lien on and security interest in its interest under the Ground Leases in the Facilities, and (B) the Agency will grant a mortgage lien on and a security interest in its interest under the Company Sublease Agreement in the Facilities. In addition, pursuant to an Assignment of Leases and Rents from Aero to the Master Trustee (which may be included within the Project Mortgage), Aero will assign to the Master Trustee all of its right, title and interest in those leases now or hereafter entered into by Aero with the various tenants of the Facilities, including all rentals, revenues and receipts payable thereunder.

Section 4. The execution and delivery of the Indenture, an Official Statement with respect to the JFK Refunding Bonds, a Bond Purchase Agreement with Aero and Goldman, Sachs & Co., as Underwriter (and/or such other Underwriters as shall be approved by Certificate of Determination, the "Underwriter"), a Letter of Representation and Indemnification Agreement from Aero and the Indemnitor (as defined below) to the Agency, the Trustee and the Underwriter, a Company Sublease Agreement from Aero to the Agency, a Financing Agreement between the Agency and Aero, the Project Mortgage, a Refunding Escrow Trust Agreement with respect to the refunding of the 2001 Bonds, a Tax Regulatory Agreement from the Agency and Aero to the Trustee, a Project Indemnification Agreement with one or more affiliates of Aero (the "Indemnitor") as determined by Certificate of Determination, and a Consent to Sublease Agreement from the Agency, Aero and the Trustee to the Port Authority (the documents referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantially in the form approved by the Agency for prior financings, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director, General Counsel and Vice President for Legal Affairs of the Agency are hereby authorized to execute, acknowledge and deliver each such Agency Document and the Secretary, Assistant Secretary, Executive Director, Deputy Executive Director, General Counsel and Vice President for Legal Affairs of the Agency are hereby authorized to affix the seal of the Agency on each Agency Document, as applicable, and attest the same. The execution and delivery of each Agency Document by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. The JFK Refunding Bonds are hereby authorized to be sold to the Underwriter at such purchase price as shall be approved by Certificate of Determination.

Section 6. The Agency hereby authorizes the distribution of the Preliminary Official Statement and, the final Official Statement to prospective purchasers of the JFK Refunding Bonds.

Section 7. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution and the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any of the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his individual capacity and neither the members of the Agency nor any officer executing the JFK Refunding Bonds shall be liable personally on the JFK Refunding Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 8. The Agency is hereby authorized to cause Aero to proceed with the refunding of the 2001 Bonds, the agreed costs thereof to be paid by the Agency by the application of the proceeds of the JFK Refunding Bonds, all as particularly authorized by the terms and provisions of the Financing Agreement and the Indenture. Aero is authorized to proceed with the refunding of the 2001 Bonds as set forth in the Financing Agreement; provided, however, that it is acknowledged and agreed by Aero that (i) a leasehold interest in the Facilities shall be in the Agency for financing purposes only, and (ii) the Agency shall have no personal liability for any such action taken by Aero for such purpose.

Section 9. Any expenses incurred by the Agency with respect to the refunding of the 2001 Bonds and the financing thereof shall be reimbursed out of the proceeds of the JFK Refunding Bonds, or in the event such proceeds are insufficient after payment of other costs of the refunding of the 2001 Bonds, or JFK Refunding Bonds are not issued by the Agency due to inability to consummate the transactions herein contemplated, shall be paid by Aero. By accepting this Resolution, Aero agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the refunding of the 2001 Bonds and the financing thereof.

Section 10. The officers of the Agency are hereby designated the authorized representatives of the Agency and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Agency Documents and the issuance of the JFK Refunding Bonds.

Section 11. The Agency recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director, General Counsel and Vice President for Legal Affairs to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 12. This Resolution constitutes a declaration of "official intent" under the provisions of Treasury Regulation 1.150-2 promulgated under Section 103 and related sections of the Internal Revenue Code of 1986, as amended (the "Code"). This Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the refunding of the 2001 Bonds.

Section 13. The Agency, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Agency's review of information provided by Aero and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency hereby determines that the refunding of the 2001 Bonds is a Type II action pursuant to 6 N.Y.C.R.R. Part 617.5(c)(23) involving "investments by or on behalf of agencies or pension or retirement systems, or refinancing existing debt" and, as such, has been determined not to have a significant impact on the environment and, therefore, no further action under SEQRA is required.

Section 14. This Resolution shall take effect immediately.

ADOPTED: June 12, 2012

AERO JFK, LLC

Accepted:

_____, 2012

By _____

Name
Title