

At a meeting of the St. Lawrence Industrial Development Agency (the "Issuer"), held in Canton, New York, on the 20th day of February, 2007, the following members of the Issuer were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Walter Basmajian	X	
Lynn Blevins	X	
Jon. R. Greenwood	X	
Ernest LaBaff	X	
Frederick S. Morrill	X	
Brian W. Staples	X	
R. Joseph Weekes, Jr.		X

The following persons were ALSO PRESENT: Raymond Fountain, CEO; Patrick Kelly, Interim CFO; Natalie Haggart, Administrative Assistant; Richard Williams, Facilities Manager; Brian Norton, Economic Developer; William R. Small, Esq., Agency Counsel; Justin Miller, Esq., Harris Beach; members of the public.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the issuance and sale of the Issuer's proposed Civic Facility Revenue Bonds (Clarkson University Project), Series 2007 in a principal amount not to exceed \$27,000,000.

The following resolution, offered by Mr. LaBaff and seconded by Mr. Blevins, was duly adopted by the Issuer with its members voting as follows:

<u>MEMBER</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Walter Basmajian	X			
Lynn Blevins	X			
Jon R. Greenwood	X			
Ernest LaBaff	X			
Frederick S. Morrill	X			
Brian W. Staples	X			
R. Joseph Weekes, Jr.				X

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE ISSUER'S CIVIC FACILITY REVENUE BONDS (CLARKSON UNIVERSITY PROJECT), SERIES 2007 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$27,000,000 AND THE EXECUTION OF RELATED DOCUMENTS.

Resolution No. 07-02-06

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") and Chapter 358 of the Laws of 1971 of the State, as amended

(collectively the "Act"), the St. Lawrence County Industrial Development Agency (the "Issuer") was created with the authority and power to issue its bonds for the purpose of, among other things, acquiring, constructing and equipping certain civic facilities authorized by the Act; and

WHEREAS, there has been submitted to the Issuer a proposal to issue its Civic Facility Revenue Bonds (Clarkson University Project), Series 2007 in the principal amount not to exceed \$27,000,000 (the "Bonds") to undertake the Project (defined below) for the benefit of Clarkson University (the "University"); and

WHEREAS, the project (the "Project") to be undertaken by the Issuer consists of (A)(1) the acquisition of an interest in certain lands located on the University's Hill Campus and Old Main Campus in Potsdam, New York (the "Campus") together with the Prior Project Facility (described below) (collectively, the "Facility"), and (2) the acquisition and installation of a Campus-wide telephone system (the "Equipment") (the Facility and the Equipment being collectively referred to as the "Current Project Facility"); (B) the refinancing of all or a portion of (1) the 1998 Consolidated Term Loan from KeyBank National Association (the "KeyBank Loan") incurred to refinance the cost of improvements to the William J. Rowley Science and Engineering Laboratories, the Townhouse Apartments and the Andrew S. Schuler Educational Resources Center (the "1998 Facility"); (2) the St. Lawrence County Industrial Development Agency Civic Facility Revenue Bonds (Clarkson University Project), Series 1999A (the "Series 1999A IDA Bonds") issued to finance the construction of a new academic building for the School of Business and the School of Liberal Arts, the construction of a two-story outdoor lodge and the construction of a two-story fitness center (the "1999 IDA Facility"); (3) the Development Authority of the North Country Civic Facility Revenue Bonds (Clarkson University Project), Series 1999A (the "Series 1999A DANC Bonds") issued to finance the renovation of Ross, Brooks, Reynolds, and Cubley Residence Halls and Clarkson Hall (the "1999 DANC Facility"); and (4) the St. Lawrence County Industrial Development Agency Civic Facility Revenue Bonds (Clarkson University Project), Series 2001A (the "Series 2001A Bonds", and, collectively with the KeyBank Loan, the Series 1999A IDA Bonds and the Series 1999A DANC Bonds, referred to as the "Outstanding Obligations") issued to finance the construction of an addition to and the renovation of Alumni Gym and the renovation of the Science Center (the "2001 Facility" and, collectively with the 1998 Facility, the 1999 IDA Facility and the 1999 DANC Facility, the "Prior Project Facility") (the Current Project Facility and the Prior Project Facility being collectively referred to as the "Project Facility"); (C) the financing of all or a portion of the cost of the foregoing by issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount not to exceed \$27,000,000 (the "Bonds"); (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the General Municipal law) with respect to the foregoing, including potential exemptions from sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively with the Bonds, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the University or such other person as may be designated by the University and agreed upon by the Issuer; and

WHEREAS, the Issuer by resolution duly adopted on January 25, 2007, by official action decided to proceed under the provisions of the Act to issue its civic facility bonds for the purpose of undertaking the Project; and

WHEREAS, the University has proposed that the Issuer sell its interest in the Project Facility to the University; and

WHEREAS, the University has agreed to indemnify the Issuer against certain losses, claims, expenses, damages and liabilities which may arise in connection with the transactions contemplated by the sale of the Project Facility and the issuance and purchase of the Bonds; and

WHEREAS, Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder require that before the Issuer approves the issuance of the Bonds, the Issuer determine whether such action may have a significant effect on the environment; and

WHEREAS, an Environmental Assessment Form was provided to the University and it was duly completed and returned to the Issuer; and

WHEREAS, said Environmental Assessment Form has been reviewed and considered by the Issuer; and

WHEREAS, in accordance with Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") a public hearing was held by the Issuer with respect to the Project on February 13, 2007, notices of which were published in both The Watertown Daily Times and Daily Courier Observer on January 12, 2007, and also published in the Advance News on January 14, 2007 at least 14 days prior to the date of the public hearing; and

WHEREAS, in accordance with Section 859-a of the General Municipal Law, a public hearing was held by the Issuer with respect to the Project on February 13, 2007, notices of which were published in both The Watertown Daily Times and Daily Courier Observer on January 12, 2007, and also published in the Advance News on January 14, 2007 at least 30 days prior to the date of the public hearing; and

WHEREAS, the St. Lawrence County Board of Legislators will consider the approval of the issuance of the Bonds in accordance with Section 147 of the Code on March 5, 2007; and

WHEREAS, the Issuer proposes to sell the Bonds in a public offering in which the initial purchaser will be RBC Dain Rauscher, Inc. doing business under the name RBC Capital Markets (the "Underwriter"); and

WHEREAS, HSBC Bank USA, National Association has agreed to act as trustee (the "Trustee") for the holders from time to time of the Bonds; and

WHEREAS, in order to consummate the aforesaid financing, the Issuer has been requested to (1) enter into (a) a trust indenture (the "Indenture") by and between the Issuer and Trustee, (b) a license agreement (the "License Agreement") by and between the Issuer and University, (c) an installment sale agreement (the "Installment Sale Agreement") by and between the Issuer and University, (d) a pledge and assignment (the "Assignment") from the Issuer to the

Trustee, (e) a bond purchase agreement to be dated the date of execution thereof (the "Bond Purchase Agreement") from the Underwriter to the Issuer and the University, and (f) an official statement relating to the Bonds (the "Official Statement"), and (2) to authorize the use of the Official Statement in connection with the sale of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY as follows:

Section 1. The Issuer hereby finds and determines that:

(a) By virtue of the Act, the Issuer has been vested with all the 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

(b) The Project constitutes a "project," as such term is defined in the Act; and

(c) The acquisition, installation and equipping of the Project Facility, the refinancing of the Outstanding Obligations and the sale of the Issuer's interest in the Project Facility to the University (i) will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the County of St. Lawrence and the State of New York and improve their standard of living and (ii) will not result in the removal of an industrial or manufacturing plant of the University from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the University; and

(d) The location of the site of the Project Facility is acceptable to the Issuer; and

(e) In compliance with Article 8 of the Environmental Conservation Law and the regulations issued thereunder, the issuance of the Bonds to finance the acquisition, installation and equipping of the Project Facility, the refinancing of the Outstanding Obligations and the sale of the Issuer's interest in the Project Facility will not have a significant effect or significant impact on the environment; and

(f) The Project Facility is not known by the Issuer to be in material violation of the local zoning laws and planning regulations of the Village of Potsdam and all regional and local land use plans for the area in which the Project Facility is located; and

(g) The Project Facility, and the operations of the University are not known by the Issuer to cause or result in the violation of the health, labor, environmental or other laws of the United States of America, the State of New York, or the Village of Potsdam; and

(h) It is desirable and in the public interest for the Issuer to issue its Bonds in a principal amount not to exceed \$27,000,000, as the Bonds may be amended, modified or consolidated from time to time upon the terms and conditions set forth in the Indenture for the purpose of financing the cost of the acquisition, installation and equipping of the Project Facility and refinancing the Outstanding Obligations, together with necessary incidental expenses; and

(i) Interest on the Bonds shall be excludable from gross income of the recipients thereof in accordance with Section 145 of the Code.

Section 2. In consequence of the foregoing, the Issuer hereby determines to:

(i) issue the Bonds on the terms and conditions set forth in the Bond Purchase Agreement and the Indenture;

(ii) sell the Bonds to the Underwriter pursuant to the Bond Purchase Agreement and deliver the Official Statement to the Underwriter for use in connection with the reoffering of the Bonds;

(iii) use the proceeds of the Bonds to acquire, install and equip the Project Facility, refinance the Outstanding Obligations and pay necessary incidental expenses;

(iv) sell the Issuer's interest in the Project Facility to the University pursuant to the Installment Sale Agreement;

(v) assign to the Trustee certain of the Issuer's rights and remedies under the Installment Sale Agreement pursuant to the Assignment; and

(vi) execute and deliver all other agreements, certificates and documents identified in (or contemplated by the certificates and documents identified in) the Closing Memorandum for the Bonds to be executed and delivered by the Issuer or as may be requested by the University, the Underwriter or the Trustee.

Section 3. The Issuer is hereby authorized to refinance the Outstanding Obligations, to acquire, install and equip the Project Facility, and all acts previously taken by the Issuer with respect to the acquisition, installation and equipping of the Project Facility are hereby ratified and confirmed.

Section 4. The appointment of the University as agent of the Issuer to acquire, install and equip the Project Facility is hereby approved, ratified and confirmed.

Section 5. The form and substance of the Bonds, the Bond Purchase Agreement, the Official Statement, the Installment Sale Agreement, the Indenture, the License Agreement, the Pledge and Assignment and all other agreements, certificates or documents to be delivered or executed by the Issuer identified in the Closing Memorandum for the Bonds (collectively referred to hereinafter as the "Financing Documents") are hereby approved subject to the approval of the officers of the Issuer identified in Section 7 hereof.

Section 6. The Issuer is hereby authorized to issue and execute, sell and deliver the Bonds in a principal amount not to exceed \$27,000,000 in the form approved by the Chairman or Vice Chairman, pursuant to the Act and according to the Indenture, provided that:

(a) The Bonds authorized to be executed, sold and delivered under this Section shall (i) be issued, executed and delivered at such time as the Chairman or Vice Chairman of the Issuer shall determine, and (ii) bear interest at the rates, be issued in such amount, be subject to redemption prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are approved by the Chairman or Vice Chairman.

(b) The Bonds shall be issued solely for the purpose of providing funds to finance the cost of acquiring, installing and equipping the Project Facility, the refinancing of the Outstanding Obligations and the payment of administrative, legal, financial and other expenses of the Issuer in connection with the acquisition, installation and equipping of the Project Facility and incidental to the issuance of the Bonds.

(c) The Bonds and the interest thereon are not and shall never be a debt of the State of New York or of the County of St. Lawrence and neither the State of New York nor the County of St. Lawrence shall be liable thereon.

(d) The Bonds, together with interest payable thereon, shall be a special obligation of the Issuer payable solely from the revenues and receipts derived from the sale of the Project Facility or from the enforcement of the security provided by the Financing Documents.

#### Section 7.

(a) The Chairman and Vice Chairman of the Issuer are each hereby authorized, on behalf of the Issuer, to negotiate, approve, execute (by manual or facsimile signature) and deliver the Financing Documents and the Secretary and Assistant Secretary of the Issuer are each hereby authorized to affix the seal (or a facsimile thereof) of the Issuer to them and to attest to all of them, all in substantially the forms presented to this meeting with such changes, variations, omissions and insertions as the Chairman or Vice Chairman shall approve. The execution of them by the Chairman or Vice Chairman shall constitute conclusive evidence of that approval.

(b) The Chairman and Vice Chairman are each further hereby authorized, on behalf of the Issuer, to designate any additional Authorized Representative of the Issuer as defined in and pursuant to the Indenture.

Section 8. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by any of the provisions of the Financing Documents, and to execute and deliver all additional agreements, certificates, instruments and documents identified in the Closing Memorandum for the Bonds, and to pay all fees, charges and expenses and to do all other acts as may be necessary, or in the opinion of the officer, employee or agent, desirable or proper to effectuate the purposes of the foregoing Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer. None of the officers, employees or agents of the Issuer, however, shall have any personal liability under the Bonds or the Financing Documents.

Section 9. HSBC Bank USA, National Association is hereby appointed by the Issuer to act as Trustee under the Indenture.

Section 10. A copy of this resolution, together with its attachments, shall be placed on file in the office of the Issuer where the same shall be available for public inspection during business hours.

Section 11. This resolution shall take effect immediately and the Bonds are hereby ordered to be issued in accordance with this resolution.

