

RESOLUTION

(Curran Renewable Energy, LLC Project – Deferral Agreement and PILOT Modification Approval)

A regular meeting of St. Lawrence County Industrial Development Agency (the "Issuer") was convened on March 24, 2009, at 8:00 a.m., local time, at Best Western University Inn, 90 East Main Street, Canton, New York.

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

Member	Present	Absent
Lynn Blevins	X	
Jon Greenwood	X	
Ernest LaBaff	X	
Andrew McMahon	X	
Frederick S. Morrill	X	
Brian Staples	X	
R. Joseph Weekes, Jr.	X	

Also Present: IDA Staff and Officers: Raymond Fountain; Kimberly Gilbert; Brian Norton; Richard Williams; Natalie Sweatland; and William R. Small, Esq., Agency Counsel.

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 Curran Renewable Energy, LLC.

On motion duly made by Mr. LaBaff and seconded by Messrs. Morrill and Weekes, the following resolution was placed before the members of the St. Lawrence County Industrial Development Agency:

Member	Aye	Nay	Abstain	Absent
Lynn Blevins	X			
Jon Greenwood	X			
Ernest LaBaff	X			
Andrew McMahon	X			
Frederick S. Morrill	X			
Brian Staples	X			
R. Joseph Weekes, Jr.	X			

AUTHORIZING THE EXECUTION AND DELIVERY BY THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "ISSUER") OF A CERTAIN DEFERRAL AGREEMENT AND REVISED PAYMENT-IN-LIEU-OF-TAX AGREEMENT RELATING TO THE CURRAN RENEWABLE ENERGY, LLC PROJECT

RESOLUTION NO. 09-03-14

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1971 of the State of New York, (hereinafter collectively called the "Act"), the **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Issuer") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, civic, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, on December 14, 2007 (the "Closing Date"), the Issuer issued its Industrial Development Revenue Bonds (Curran Renewable Energy, LLC Project), Series 2007 in the aggregate principal amount of \$8,000,000 (the "Bonds"), for the benefit of **CURRAN RENEWABLE ENERGY, LLC** (the "Company") to provide funds for the Company to undertake a certain project (the "Project") consisting of: (A) the acquisition (or retention) by the Issuer of an interest in (i) certain real property located at 16 Commerce Drive, Massena, St. Lawrence County, New York (the "16 Commerce Drive Land") and the approximately 30,000 square-foot vacant building located thereon (the "16 Commerce Drive Existing Improvements") and (ii) 20 Commerce Drive, Massena, St. Lawrence County, New York (the "20 Commerce Drive Land" and, together with the 16 Commerce Drive Land, the "Land") and the approximately 14,000 square-foot vacant building located thereon (the "20 Commerce Drive Existing Improvements" and together with the 16 Commerce Drive Existing Improvements, the "Existing Improvements"); (B) the upgrading, renovation and modernization of the Existing Improvements to house the Company's wood pellet production and manufacturing business, including approximately 4,000 square feet of office and related space (the "New Improvements" and, together with the Existing Improvements, the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property including, but not limited to, mulch and chip handling systems, dust collection systems, sprinkler systems, construct bins and conveyor systems, concrete piers and pads, overhead bins and loading trailers, packaging line and power distribution systems, sawdust storage and transport systems, dry and burner systems, spark detection and extinguishing systems, and emergency stop circuits and fire safety equipment (the "Equipment" and, together with the Land and the Improvements, the "Facility"); (D) the funding of a debt service reserve fund to secure the Bonds; (E) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (E) above being hereinafter collectively referred to as the "Project Costs"); and (F) the sale or lease (with an obligation to purchase) of the facilities financed with the Bonds to the Company.

WHEREAS, the Bonds were issued by the Issuer pursuant to a certain Indenture of Trust (the "Indenture"), dated as of December 1, 2007, by and between the St. Lawrence County Industrial Development Agency (the "Issuer") and The Bank of New York Mellon (the "Trustee"), in its capacity as trustee and formerly known as The Bank of New York, such Bonds consisting of a Series 2007A Bond in the original principal amount of \$3,640,000 (the "Series 2007A Bond") and a Series 2007B Bond in the original principal amount of \$4,360,000 (the "Series 2007B Bond"); and

WHEREAS, the Bonds were acquired in accordance with the Indenture and a certain Bond Purchase Agreement by *Limited Term New York Municipal Fund* (“LTNYMF”) and *Rochester Fund Municipals* (“RFM”, with LTNYMF, collectively, the “Bondholders”); and

WHEREAS, the Company, Bondholders and Trustee contemplate entering into a certain Deferral Agreement relating to the payment by the Company of certain debt service payments relating to the Bonds (the “Deferral Agreement”), such Deferral Agreement requiring the acknowledgment of the Issuer; and

WHEREAS, following the Closing Date, and by resolution adopted February 12, 2008, the Issuer authorized the execution and delivery of a certain Payment-in-lieu-of-Tax Agreement dated as of February 1, 2008 (“PILOT Agreement”), wherein it was contemplated by the Issuer and the Company that the Project would be included within the City of Ogdensburg Empire Zone (the “Zone”) as a Regionally Significant Project (“RSP”), thereby allowing the PILOT Agreement to be structured to require the Company to either (i) make PILOT Payments equivalent to full taxes for the benefit of the Affected Taxing Jurisdictions; or, in the event the Empire Zone benefits aren’t realized, (ii) make PILOT Payments in accordance with an abatement schedule providing financial assistance to the Company during the initial ten (10) PILOT years (the “Alternate PILOT Schedule”); and

WHEREAS, despite best efforts by the Company and the Issuer to support the establishment of a RSP within the Zone for the benefit of the Company and the Project, this has yet to occur and the Issuer and Company desire to amend and restate the PILOT Agreement (the “Amended and Restated PILOT Agreement”) to reflect the Alternate PILOT Schedule only and clarify the term “Base Value”, as defined within the PILOT Agreement; and

WHEREAS, the Issuer desires to approve the execution and delivery of the Deferral Agreement (attached hereto as **Exhibit A**) and the Amended and Restated PILOT Agreement (attached hereto as **Exhibit B**).

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Issuer hereby authorizes the execution and delivery of the Deferral Agreement (attached hereto as **Exhibit A**) and the Amended and Restated PILOT Agreement (attached hereto as **Exhibit B**).

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Issuer are hereby authorized, on behalf of the Issuer, to execute and deliver the Deferral Agreement and the Amended and Restated PILOT Agreement, along with related documents, in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Chief Executive Officer shall approve. The execution of the PILOT Documents by the Chairman, Vice Chairman and/or Chief Executive Officer shall constitute conclusive evidence of such approval.

Section 3. This resolution shall take effect immediately.

SECRETARY CERTIFICATION

STATE OF NEW YORK)
COUNTY OF ST. LAWRENCE) ss.:

I, Lynn Blevins, the undersigned, Secretary of the St. Lawrence County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the St. Lawrence County Industrial Development Agency (the "Issuer"), including the resolution contained therein, held on March 24, 2009, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Issuer had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer this 24th day of March 2009.

_____/s/
(Mr.) Lynn Blevins
Secretary

[SEAL]

EXHIBIT A

Deferral Agreement

EXHIBIT B

Revised PILOT Agreement