

A regular meeting of the St. Lawrence County Industrial Development Agency (the "Issuer") was convened on October 13, 2009, at 8:00 AM at the University Inn/Best Western located at Main Street, Canton, New York.

The meeting was duly called to order by the Chairman, with the following members being:

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

ALSO PRESENT: IDA Staff and Officers: Raymond Fountain, Kimberly Gilbert, Patrick Kelly, Richard Williams, Natalie Sweatland and Brian Norton; William R. Small, Esq., Edmund J. Russell, III, Esq.

Upon motion duly made and seconded, the following resolution was duly adopted by the Issuer with its members voting as follows:

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

AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE AND RELATED DOCUMENTS WITH RESPECT TO THE \$2,500,000 MULTI-MODE VARIABLE RATE CIVIC FACILITY REVENUE BONDS (POTSDAM AUXILIARY AND COLLEGE EDUCATIONAL SERVICES, INC. PROJECT – LETTER OF CREDIT SECURED), SERIES 2007

Resolution No. 09-10-40

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, duly enacted into law as Chapter 1030 of the Laws of 1969 of the State, as amended, and Chapter 358 of the Laws of 1971 of the State of New York, as amended (collectively, the "Act"), the **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the

"Issuer") was created with the authority and power to issue its special revenue bonds for the purpose of, among other things, acquiring, constructing, reconstructing, manufacturing, warehousing, research, commercial, civic, or industrial facilities and equipping certain "projects" as authorized by the Act; and

WHEREAS, on or about June 28, 2007, the Issuer issued its \$2,500,000 Multi-Mode Variable Rate Civic Facility Revenue Bonds (Potsdam Auxiliary and College Educational Services, Inc. Project – Letter Of Credit Secured), Series 2007 (the “Bonds”) for the purpose of financing a certain project for Potsdam Auxiliary and College Educational Services, Inc. (the “Corporation”); and

WHEREAS, the Bonds were issued pursuant to a trust indenture dated as of June 1, 2007 (the “Indenture”) between the Issuer and Manufacturers and Traders Trust Company, as trustee (the “Trustee”); and

WHEREAS, credit support and liquidity support for the Bonds is provided by a letter of credit (the “Letter of Credit”) issued by RBS Citizens, N.A. (f/k/a Citizens Bank, N.A.) (the “Bank”) pursuant to a reimbursement agreement dated as of June 1, 2007 between the Corporation and the Bank; and

WHEREAS, George K. Baum & Company, as remarketing agent for the Bonds (the “Remarketing Agent”) has advised the Corporation and Bond, Schoeneck & King, PLLC, bond counsel to the Issuer (“Bond Counsel”), that the market for municipal bonds secured by direct pay letters of credit is currently subject to volatile market fluctuations and as a result of the recent downgrade of the Bank’s credit rating the interest rate on the Bonds has increased substantially; and

WHEREAS, in order to address the current market conditions affecting the interest payable on the Bonds, the Bank has proposed to purchase and hold the Bonds; and

WHEREAS, the Corporation has requested that the Issuer modify certain terms of the Bonds and the Indenture in connection with the proposed sale of the Bonds to the Bank and that the Issuer enter into certain other documents in connection therewith; and

WHEREAS, the Issuer now desires to approve the foregoing and authorize the execution and delivery of one or more supplemental Indentures, modifications of the Bonds and any related documents.

NOW, THEREFORE, BE IT RESOLVED by the members of the St. Lawrence County Industrial Development Agency as follows:

Section 1. The Issuer hereby approves the amendment of the Indenture and the Bonds from time to time in order to establish a new LIBOR-based variable interest rate mode that will be in effect for the period of time that the Bonds are held by the Bank (the “Bank Purchase Mode”), and to provide for conversion of the Bonds to the Bank Purchase Mode. The Issuer further approves the sale to the Bank of Bonds in the Bank Purchase Mode.

Section 2. The Chairman, Vice Chairman and/or the Chief Executive Officer of the Issuer are each hereby authorized, on behalf of the Issuer, to execute and deliver one or more supplemental indentures, one or more amendments to the Bonds, and any documents necessary and incidental thereto, all in substantially the forms thereof as approved by counsel to the Issuer and/or Bond Counsel with such changes, variations, omissions and insertions as the Chairman, Vice Chairman or the Chief Executive Officer shall approve. The execution of supplemental indentures and any related documents by the Chairman, Vice Chairman and/or the Chief Executive Officer shall constitute conclusive evidence of such approval.

Section 3. The officers, employees, and agents of the Issuer are hereby authorized and directed for and in the name and or behalf of the Issuer to do all acts and things required or provided by the provisions of the Indenture, and to execute and deliver all such additional certificates, instruments and documents, and to do all such further acts and things as may be necessary or in the opinion of the officer, employee, or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Indenture binding upon the Issuer.

Section 4. Due to the complex nature of this transaction, the Issuer hereby authorizes its Chairman, Vice Chairman and/or Chief Executive Officer to approve, execute and deliver such further agreements, documents and certificates as the Issuer may be advised by counsel to the Issuer or Bond Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Chairman, Vice Chairman and/or Chief Executive Officer.

Section 5. This resolution shall take effect immediately.

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

I, 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 regular meeting of the St. Lawrence County Industrial Development Agency (the "Issuer"), including the resolution contained therein, held on October 13, 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 13th day of October 2009.

(Mr.) Lynn Blevins
Secretary

[SEAL]