# RESOLUTION AUTHORIZING RELEASE OF CERTAIN LANDS CHAMPLAIN VALLEY PHYSICIANS HOSPITAL MEDICAL CENTER 2002, 2006 AND 2007 PROJECTS

A regular meeting of County of Clinton Industrial Development Agency (the "Issuer") was convened in public session at the offices of the Issuer located at 190 Banker Road, Suite 500 in the Town of Plattsburgh, Clinton County, New York on June 9, 2014 at 12:00 p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the Issuer and, upon roll being called, the following Directors of the Issuer were:

### PRESENT:

Trent Trahan
David Hoover
Michael E. Zurlo
Keith Defayette

Keith Defayette Kim Murray

Mark Leta
John VanNatten

Chairperson Vice Chairperson

Secretary

Treasurer and Chief Financial Officer

**Assistant Secretary** 

Member Member

### **EXCUSED:**

# ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Erin M. Hynes
Barbara Shute
George W. Cregg, Jr., Esq.

Executive Director Recording Secretary Issuer and Bond Counsel

The following resolution was offered by K. Defayette, seconded by K. Murray, to wit:

## Resolution No. 06-14-01

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE RELEASE OF A CERTAIN PARCEL OF LAND FROM THE INSTALLMENT SALE AGREEMENT AND OTHER DOCUMENTS IN CONNECTION WITH THE CHAMPLAIN VALLEY PHYSICIANS HOSPITAL MEDICAL CENTER 2002, 2006 AND 2007 PROJECTS.

WHEREAS, County of Clinton Industrial Development Agency (the "Issuer") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing, industrial and recreational facilities, among others, for the purpose of promoting,

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attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on June 18, 2002, the Issuer entered into a bond purchase agreement (the "Initial Bond Purchase Agreement") by and among the Issuer, Cain Brothers & Company, LLC, as underwriter (the "Initial Underwriter"), and Champlain Valley Physicians Hospital Medical Center (the "Institution"), a New York not-for-profit corporation, pursuant to which the Issuer sold to the Initial Underwriter the Issuer's Variable Rate Demand Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Project), Series 2002A in the aggregate principal amount of \$10,800,000 (the "Initial Bonds") for the purpose of financing a portion of the costs of a project (the "Initial Project") consisting of the following project (the "Initial Project"): (A)(1) the acquisition of an interest in a parcel of land located at 75 Beekman Street in the City of Plattsburgh, Clinton County, New York (the "Initial Land"), together with the existing buildings located thereon (the "Existing Facility"), (2) the renovation of the Existing Facility and the construction of an approximately 22,600 square foot addition to the Existing Facility (the "Addition") (the Existing Facility, as renovated and the Addition being collectively referred to as the "Initial Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Initial Equipment"), all of the foregoing to constitute an intensive care unit and related services to be provided by the Institution (the Initial Land, the Initial Facility and the Initial Equipment being collectively referred to as the "Initial Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Initial Bonds; (C) paying a portion of the costs incidental to the issuance of the Initial Bonds, including issuance costs of the Initial Bonds and any reserve funds as may be necessary to secure the Initial Bonds; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes (collectively with the Initial Bonds, the "Initial Financial Assistance"); and (E) the sale of the Initial Project Facility to the Institution pursuant to the terms of an installment sale agreement dated as of June 1, 2002 (the "Initial Installment Sale Agreement") by and between the Issuer, as seller, and the Institution, as purchaser; and

WHEREAS, the Initial Bonds were issued on June 18, 2002 under a resolution adopted by the members of the Issuer on June 10, 2002 (the "Initial Bond Resolution") and a trust indenture dated as of June 1, 2002 (the "Initial Indenture") by and between the Issuer and HSBC Bank USA, National Association, as trustee (the "Trustee") for the holders of the Initial Bonds and any additional bonds issued by the Issuer under the Initial Indenture (the "Additional Bonds"); and

WHEREAS, the security for the Initial Bonds included, among other things, (A) a pledge and assignment dated as of June 1, 2002 (the "Initial Pledge and Assignment") from the Issuer to the Trustee, which Initial Pledge and Assignment assigned to the Trustee certain of the Issuer's rights under the Installment Sale Agreement, (B) a mortgage dated as of June 1, 2010 (the "Initial Mortgage") from the Institution and the Issuer to the Trustee, which Initial Mortgage granted to the Trustee a mortgage lien on and security interest in the Initial Project Facility, (C) a guaranty dated as of June 1, 2002 (the "Initial Guaranty") from the Institution to the Trustee, pursuant to which the Institution guaranteed to the Trustee (1) the Institution's obligation (a) to make all installment purchase payments under the Initial Installment Sale

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Agreement and (b) to perform all obligations related thereto and (2) the Issuer's obligation to repay the Initial Bonds, (D) a financial guaranty insurance policy (the "Initial Bond Insurance Policy") issued by Radian Asset Assurance Inc. (the "Bond Insurer"), which Initial Bond Insurance Policy provides for the prompt payment of the principal of and interest and sinking fund installments on the Initial Bonds which shall have become due, to the extent that the Trustee has not received sufficient funds from the Issuer or the Institution for such payment, and (E) a standby bond purchase agreement dated as of June 1, 2002 (the "Initial Liquidity Facility") by and among the Institution, the Trustee as tender agent (the "Tender Agent") and KeyBank National Association (the "Initial Liquidity Provider"), which Initial Liquidity Facility provided that the Initial Liquidity Provider would purchase any of the Initial Bonds which are delivered to the Tender Agent pursuant to an optional tender or which are subject to mandatory purchase but are not remarketed by the remarketing agent with respect to the Bonds (the "Remarketing Agent"); and

WHEREAS, on December 19, 2006, the Issuer issued its Multi-Mode Variable Rate Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Refunding Project - Letter of Credit Secured), Series 2006A in the aggregate principal amount of \$12,650,000 (the "Series 2006A Bonds") and its Multi-Mode Variable Rate Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Refunding Project - Letter of Credit Secured), Series 2006B (Taxable) in the aggregate principal amount of \$100,000 (the "Series 2006B Bonds", and collectively with the Series 2006A Bonds, the "2006 Bonds") for the purpose of financing a portion of the cost of the following project (the "2006 Project"): (A) (1) the acquisition of an interest or interests (collectively, the "2006 Land") in (a) portions of the Institution's campus located at 75 Beekman Street in the City of Plattsburgh, Clinton County, New York, (b) the existing buildings and other improvements located thereon (the "2006 Facility") and (c) certain fixtures and other personal property related thereto (the "2006 Equipment") (the 2006 Land, the 2006 Facility and the 2006 Equipment being collectively referred to as the "2006 Project Facility"), and (2) the refinancing of certain outstanding debt of the Institution, including the outstanding amount of the Champlain Valley Physicians Hospital Medical Center Insured Revenue Bonds, Series 1997 (the "Prior Bonds") issued by the Dormitory Authority of the State of New York (the "Prior Issuer") on August 27, 1997 in the original principal amount of \$28,500,000 to fund a project (the "Prior Project") consisting of (a) financing various improvements and renovations to the Institution's facilities and (b) repaying an outstanding bank loan used to finance certain improvements and renovations to the Institution's facilities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the 2006 Bonds; (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes (collectively with the 2006 Bonds, the "2006 Financial Assistance"); and (D) the sale of the 2006 Project Facility to the Institution pursuant to an installment sale agreement dated as of December 1, 2006 (the "2006 Installment Sale Agreement") by and between the Issuer, as seller, and the Institution, as purchaser; and

WHEREAS, the 2006 Bonds were issued under a resolution of the Issuer adopted by the members of the Issuer on November 13, 2006 (the "Initial Bond Resolution") and a trust indenture dated as of December 1, 2006 (the "2006 Indenture") by and between the Issuer and HSBC Bank USA, National Association, as trustee (the "Trustee") for the holders of the 2006 Bonds and any additional bonds issued by the Issuer under the 2006 Indenture (the "2006 Additional Bonds"); and

WHEREAS, as security for the 2006 Bonds, the Institution entered into a letter of credit reimbursement agreement dated as of December 1, 2006 (the "Initial Reimbursement Agreement") with KeyBank National Association, a national banking association organized and existing under the laws of the United States of America (the "Bank"), pursuant to which the Bank issued in favor of the Trustee an irrevocable

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transferable direct-pay letter of credit (the "Initial Letter of Credit"), said Initial Letter of Credit to be in a maximum amount (which shall decline at fixed intervals) equal to \$12,847,809, said sum representing the aggregate of (A) the principal amount of the Initial Bonds outstanding, plus (B) thirty-five (35) days interest thereon (at an assumed interest rate of eight percent (8%) per annum); and

WHEREAS, to further secure the 2006 Bonds, the Issuer executed and delivered to the Trustee, a pledge and assignment dated as of December 1, 2006 (the "Pledge and Assignment") from the Issuer to the Trustee, which Pledge and Assignment will assign to the Trustee certain of the Issuer's rights under the 2006 Installment Sale Agreement. Pursuant to the Pledge and Assignment, installment purchase payments made by the Institution under the 2006 Installment Sale Agreement are to be paid directly to the Trustee; and

WHEREAS, as security for the Institution's obligations under the Initial Reimbursement Agreement, (A) the Institution executed and delivered (1) a pledge agreement dated as of December 1, 2006 (the "Bond Pledge Agreement") by and between the Institution and the Bank and acknowledged by the Trustee, which granted the Bank a lien on any 2006 Bonds purchased pursuant to the 2006 Indenture with proceeds of a draw on the Letter of Credit, and (2) a security agreement dated as of December 1, 2006 (the "Security Agreement") by and between the Institution and the Bank, which granted to the Bank a security interest in all receipts, revenues, income and other monies received by or on behalf of the Institution (the "Gross Receipts"), (B) the Issuer and the Institution executed and delivered a mortgage dated as of December 1, 2006 (the "Mortgage") from the Issuer and the Institution to the Bank, which granted to the Bank a mortgage on and security interest in the Mortgaged Property (as defined in the Mortgage). In connection with the execution of the Mortgage, the Issuer and the Institution entered into an intercreditor agreement dated as of December 1, 2006 (the "Intercreditor Agreement") by and among the Issuer, the Institution, the Bank and HSBC Bank USA (now HSBC Bank USA, National Association), as trustee (the "Series 2002 Trustee") for the holders of the Variable Rate Demand Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Project), Series 2002A issued by the Issuer on or about June 17, 2002 (the "Series 2002 Bonds") pursuant to a trust indenture dated as of June 1, 2002 (the "Series 2002 Indenture") between the Issuer and the Series 2002 Trustee, and consented to by Radian Asset Assurance, Inc. ("Radian"), as issuer of a financial guaranty insurance policy insuring the Series 2002 Bonds (the "Series 2002 Bond Insurance Policy"), which provides for the allocation between the Bank and the Series 2002 Trustee of proceeds of (1) either or both of the Mortgage and the mortgage securing the Series 2002 Bonds (collectively, the "Mortgages"), (2) hazard insurance or condemnation proceeds related to the property secured by the Mortgages, and (3) the Gross Receipts; and

WHEREAS, on June 7, 2007, the Issuer entered into a bond purchase agreement (the "Series 2007A Bond Purchase Agreement") by and among the Issuer, KeyBanc Capital Markets Inc. (the "Series 2007A Underwriter"), and the Institution, pursuant to which the Issuer sold to the Series 2007A Underwriter the Issuer's Variable Rate Demand Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Project), Series 2007A in the aggregate principal amount of \$19,565,000 (the "Series 2007A Bonds") for the purpose of financing a portion of the costs of a project (the "Series 2007A Project") consisting of the following project (the "Series 2007A Project"): (A)(1) the acquisition of an interest or interests in portions of the Institution's campus located at 75 Beekman Street in the City of Plattsburgh, Clinton County, New York (collectively, the "Series 2007A Land"), together with an approximately 625,000 square foot facility located thereon (the "Series 2007A Existing Facility"), (2) the construction on the Land of an approximately 53,213 square foot addition to the Existing Facility (the "Series 2007A Addition") (the Series 2007A Existing Facility and the Series 2007A Addition being sometimes collectively referred to as the "Series 2007A Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Series 2007A Equipment")

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(the Series 2007A Land, the Series 2007A Facility and the Series 2007A Equipment hereinafter collectively referred to as the "Series 2007A Project Facility"), all of the foregoing to constitute an expansion and improvement of the existing surgery suites of the existing medical facility, such facility to be owned and operated by the Institution as facilities for patient health care services, related administrative support services and other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Series 2007A Bonds; (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes (collectively with the Series 2007A Bonds, the "Series 2007A Financial Assistance"); and (D) the sale of the Series 2007A Project Facility to the Institution pursuant to the terms of a certain Series 2007A amendment to installment sale agreement dated as of June 1, 2007 (the "Series 2007A Amendment to Installment Sale Agreement"); and

WHEREAS, the Series 2007A Bonds were issued on June 7, 2007 under a resolution adopted by the members of the Issuer on June 4, 2007 (the "Series 2007A Bond Resolution"), the Initial Indenture and a Series 2007A supplemental trust indenture dated as of June 1, 2007 (the "Series 2007A Supplemental Indenture") by and between the Issuer and the Trustee; and

WHEREAS, the security for the Series 2007A Bonds included, among other things, (A) a Series 2007A amendment to pledge and assignment dated as of June 1, 2002 (the "Series 2007A Amendment to Pledge and Assignment") among the Issuer, the Institution and the Trustee, which Series 2007A Amendment to Pledge and Assignment amended the Initial Pledge and Assignment to confirm that it (1) covers the Initial Installment Sale Agreement as amended by the Series 2007A Amendment to Installment Sale Agreement and (2) secures both the Initial Bonds and the Series 2007A Bonds, (B) an amendment to mortgage dated as of June 1, 2007 (the "Series 2007A Amendment to Mortgage") among the Issuer, the Institution and the Trustee, which Series 2007A Amendment to Mortgage amended the Initial Mortgage to confirm that it secures both the Initial Bonds and the Series 2007A Bonds, (C) a Series 2007A amendment to guaranty dated as of June 1, 2007 (the "Series 2007A Amendment to Guaranty") between the Institution and the Trustee, which Series 2007A Amendment to Guaranty amended the Initial Guaranty to confirm that it secures both the Initial Bonds and the Series 2007A Bonds, (D) a financial guaranty insurance policy (the "Series 2007A Bond Insurance Policy") issued by the Bond Insurer, which Series 2007A Bond Insurance Policy provides for the prompt payment of the principal of and interest and sinking fund installments on the Series 2007A Bonds which shall have become due, to the extent that the Trustee has not received sufficient funds from the Issuer or the Institution for such payment, and (E) a standby bond purchase agreement dated as of June 1, 2007 (the "Series 2007A Liquidity Facility") by and among the Institution, the Tender Agent and KeyBank National Association (the "Series 2007A Liquidity Provider"), which Series 2007A Liquidity Facility provided that the Initial Liquidity Provider would purchase any of the Series 2007A Bonds which are delivered to the Tender Agent pursuant to an optional tender or which are subject to mandatory purchase but are not remarketed by the Remarketing Agent; and

WHEREAS, on June 25, 2007, the Issuer entered into a bond purchase agreement (the "Series 2007B Bond Purchase Agreement") by and among the Issuer, KeyBanc Capital Markets Inc. (the "Series 2007B Underwriter"), and the Institution, pursuant to which the Issuer sold to the Series 2007B Underwriter the Issuer's Variable Rate Demand Civic Facility Revenue Bonds (Champlain Valley Physicians Hospital Medical Center Project), Series 2007B in the aggregate principal amount of \$12,505,000 (the "Series 2007B Bonds") for the purpose of financing a portion of the costs of a project (the "Series 2007B Project") consisting of the following project (the "Series 2007B Project"): (A)(1) the acquisition of an interest or interests in portions of the Institution's campus located at 75 Beekman Street in the City of Plattsburgh, Clinton County, New York (collectively, the "Series 2007B Land"),

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together with an approximately 625,000 square foot facility located thereon (the "Series 2007B Facility"), (2) the renovation of approximately 29,000 square feet of the Facility and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Series 2007B Equipment") (the Series 2007B Land, the Series 2007B Facility and the Series 2007B Equipment hereinafter collectively referred to as the "Series 2007B Project Facility"), all of the foregoing to constitute an improvement of the existing medical facility, such facility to be owned and operated by the Institution as facilities for patient health care services, related administrative support services and other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Series 2007B Bonds; (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes (collectively with the Series 2007B Bonds, the "Series 2007B Financial Assistance"); and (D) the sale of the Series 2007B Project Facility to the Institution pursuant to the terms of a certain Series 2007B amendment to installment sale agreement dated as of June 15, 2007 (the "Series 2007B Amendment to Installment Sale Agreement", and collectively with the Initial Installment Sale Agreement and the Series 2007A Amendment to Installment Sale Agreement, the "Installment Sale Agreement"); and

WHEREAS, the Series 2007B Bonds were issued on June 25, 2007 under a resolution adopted by the members of the Issuer on June 4, 2007 (the "Series 2007B Bond Resolution"), the Initial Indenture and a Series 2007B supplemental trust indenture dated as of June 15, 2007 (the "Series 2007B Supplemental Indenture") by and between the Issuer and the Trustee (the Initial Indenture, as supplemented by the Series 2007A Supplemental Indenture and the Series 2007B Supplemental Indenture is hereinafter referred to as the "Existing Indenture"); and

WHEREAS, simultaneously with the issuance of the Series 2007B Bonds, the Institution and the Issuer executed and delivered, among other documents, a certain Series 2007B amendment to installment sale agreement dated as of June 15, 2007 (the "Series 2007B Amendment to Installment Sale Agreement") (the Initial Installment Sale Agreement, as supplemented by the Series 2007A Amendment to Installment Sale Agreement and the Series 2007B Amendment to Installment Sale Agreement is hereinafter referred to as the "Existing Installment Sale Agreement"); and

WHEREAS, the security for the Series 2007B Bonds included, among other things, (A) a Series 2007B amendment to pledge and assignment dated as of June 15, 2002 (the "Series 2007B Amendment to Pledge and Assignment") among the Issuer, the Institution and the Trustee, which Series 2007B Amendment to Pledge and Assignment amended the Initial Pledge and Assignment as amended by the Series 2007A Amendment to Pledge and Assignment to confirm that it (1) covers the Initial Installment Sale Agreement as amended by both the Series 2007A Amendment to Installment Sale Agreement and the Series 2007B Amendment to Installment Sale Agreement and (2) secures the Initial Bonds, the Series 2007A Bonds and the Series 2007B Bonds, (B) an amendment to mortgage dated as of June 15, 2007 (the "Series 2007B Amendment to Mortgage") among the Issuer, the Institution and the Trustee, which Series 2007B Amendment to Mortgage amended the Initial Mortgage as amended by the 2007A Amendment to Mortgage to confirm that it secures the Initial Bonds, the Series 2007A Bonds and the Series 2007B Bonds, (C) a Series 2007B amendment to guaranty dated as of June 15, 2007 (the "Series 2007B Amendment to Guaranty") between the Institution and the Trustee, which Series 2007B Amendment to Guaranty amended the Initial Guaranty as amended by the Series 2007A Amendment to Guaranty to confirm that it secures the Initial Bonds, the Series 2007A Bonds and the Series 2007B Bonds, (D) a financial guaranty insurance policy (the "Series 2007B Bond Insurance Policy") issued by the Bond Insurer, which Series 2007B Bond Insurance Policy provides for the prompt payment of the principal of and interest and sinking fund installments on the Series 2007B Bonds which shall have become due, to Resolution # 06-14-01 - Release of Certain Lands CVPH County of Clinton Industrial Development Agency June 9, 2014 Page 7 of 15

the extent that the Trustee has not received sufficient funds from the Issuer or the Institution for such payment, and (E) a standby bond purchase agreement dated as of June 15, 2007 (the "Series 2007B Liquidity Facility") by and among the Institution, the Tender Agent and KeyBank National Association (the "Series 2007B Liquidity Provider"), which Series 2007B Liquidity Facility provided that the Initial Liquidity Provider would purchase any of the Series 2007B Bonds which are delivered to the Tender Agent pursuant to an optional tender or which are subject to mandatory purchase but are not remarketed by the Remarketing Agent; and

WHEREAS, on or about a dated December 10, 2007, the Institution, the Issuer and the Trustee entered into a certain Mortgage Modification and Spreader Agreement dated December 10, 2007 (the "2007 Mortgage Modification Agreement), pursuant to which the 2007 Mortgage was further amended and modified to add the Liquidity Provider as an additional mortgagee thereon; and

WHEREAS, on March 3, 2008, the Issuer and the Trustee, with the consent of the Institution and the Bond Insurer, entered into a third supplemental indenture dated as of February 1, 2008 (the "Third Supplemental Indenture") to amend the 2007 Indenture (the 2007 Indenture, as amended by the Third Supplemental Indenture, is hereinafter referred to as the "Existing Indenture") for the following purpose(s), among others: (A) to allow the Institution to obtain additional security with respect to any series of the Bonds in the form of an additional credit facility with respect to such series of the Bonds, (B) to provide that, during the period of time that a series of the Bonds shall be secured by an additional credit facility, the Trustee shall first draw upon such additional credit facility to make Debt Service Payments or Purchase Price Payments with respect to such series of the Bonds and (C) to provide that, to the extent that the provider of an additional credit facility with respect to such series of the Bonds has paid Debt Service Payments or Purchase Price Payments with respect to such series of the Bonds and the Trustee has also received moneys by or on behalf of the Institution for the same payments, the Trustee may apply such moneys received by or on behalf of the Institution to repay the provider of an additional credit facility for such moneys so paid; and

WHEREAS, also on March 3, 2008, (A) the Institution and KeyBank National Association (the "Credit Facility Issuer") entered into three separate reimbursements, each dated as of February 1, 2008 (each, a "Reimbursement Agreement"), pursuant to which the Credit Facility Issuer issued three separate irrevocable transferrable direct pay letters of credit (each, a "Credit Facility"), one relating to each Series of the outstanding Bonds (the Initial Bonds, the Series 2007A Bonds and the Series 2007B Bonds), each said Credit Facility Issuer in a maximum amount (which shall decline at fixed intervals) equal to the aggregate of (1) the principal amount of the related Series of the Bonds outstanding, plus (2) up to thirtyfive (35) days interest thereon (at an assumed interest rate of eight percent (8%), (B) the Issuer and the Institution, with the consent of the Trustee and the Bond Insurer, entered into a third amendment to installment sale agreement dated as of February 1, 2008 (the "Third Amendment to Installment Sale Agreement (the 2007 Installment Sale Agreement, as amended by the Third Supplemental Installment Sale Agreement, is hereinafter referred to as the "Existing Installment Sale Agreement"), and (C) means the mortgage modification agreement dated as of February 1, 2008 (the "Third Amendment to Mortgage") (the 2007 Mortgage, as amended and supplemented by the 2007 Mortgage Modification Agreement and the Third Amendment to Mortgage is hereinafter referred to as the "Existing Mortgage"), pursuant to which the 2007 Mortgage as previously amended was further amended to (1) add the Credit Facility Issuer as an additional mortgagee thereon and (2) confirm that the 2007 Mortgage also secures the Credit Facility Issuer with respect to any reimbursement obligation for the Initial Bonds, the Series 2007 Bonds and the Series 2007B Bonds; and

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WHEREAS, the Issuer received a request from the Institution dated November 29, 2010 (the "Request"), (A) indicating that (1) due to a recent credit downgrade affecting the issuer of the present Credit Facilities securing each series of the Initial Bonds, the Series 2007A Bonds and the Series 2007B Bonds (collectively, the "Existing Bonds") and other market factors affecting the Existing Bonds, the Existing Bonds are bearing interest at interest rates significantly higher than the Institution had expected and (2) the Institution has made arrangements with KeyBank National Association (the "Bank") for the Bank to purchase the Initial Bonds and the Series 2007A Bonds at an interest rate that provides present value savings to the Institution, and (B) requesting that the Issuer agree to make certain amendments to the Existing Indenture and the related financing documents necessary in order to implement said purchase by the Bank of the Initial Bonds and the Series 2007A Bonds; and

WHEREAS, pursuant to Section 802 of the Existing Indenture, KeyBanc Capital Markets Inc. as present owner of all of the outstanding Initial Bonds, Series 2007A Bonds and Series 2007B Bonds (the "Present Owner") (1) certified to the Issuer and the Trustee that the Present Owner is the Holder of all of the Outstanding Existing Bonds, (2) waived its right under Section 802(B) of the Existing Indenture to receive sixty (60) days written notice of the proposed execution of the proposed execution of a fourth supplemental indenture dated as of December 1, 2010 (the "Fourth Supplemental Indenture", and collectively with the Existing Indenture, the "Indenture") by and between the Issuer and the Institution and consented to by the Institution, the Present Owner, the Bond Insurer and the Credit Facility Issuer, and (3) consented in writing to the execution and delivery of the Fourth Supplemental Indenture; and

WHEREAS, pursuant to Section 804 of the Existing Indenture, (A) no indenture supplemental to the Existing Indenture which affects any rights or liabilities of the Institution shall become effective unless or until the Institution shall have consented in writing to the execution and delivery of such indenture supplemental to the Existing Indenture, and (B) pursuant to Section 804(A) of the Existing Indenture, the Institution has (1) waived its right under Section 804(A) of the Existing Indenture to receive fifteen (15) days prior written notice of the proposed execution of the Fourth Supplemental Indenture and (2) consented in writing to the execution and delivery of the Fourth Supplemental Indenture; and

WHEREAS, pursuant to Section 802(C) of the Existing Indenture, (A) the Issuer and the Trustee may rely on an opinion of Independent Counsel (as defined in the Existing Indenture) as conclusive evidence that the execution and delivery of any Supplemental Indenture is authorized or permitted by the Existing Indenture and has been effected in compliance with Section 802 of the Existing Indenture, and (B) the Issuer and the Trustee have received an opinion of Independent Counsel that the execution and delivery of the Fourth Supplemental Indenture is authorized or permitted by the Existing Indenture and has been effected in compliance with Section 802 of the Existing Indenture; and

WHEREAS, pursuant to Section 803 and Section 1106(A)(7) of the Existing Indenture, (A) the Issuer and the Trustee shall not enter into any indenture supplemental to the Existing Indenture under Section 801 thereof (other than a Supplemental Indenture for the purpose of authorizing Additional Bonds authorized to be issued pursuant to Section 214 of the Existing Indenture) or Section 802 thereof without the prior written consent of the Bond Insurer, and (B) pursuant to Section 803 and Section 1106(A)(7) of the Existing Indenture, the Bond Insurer has (1) waived its right under Section 802(B) of the Existing Indenture to receive sixty (60) days prior written notice of the proposed execution of the Fourth Supplemental Indenture and (2) pursuant to Section 803 and Section 1106(A)(7) of the Existing Indenture, consented in writing to the execution and delivery of the Fourth Supplemental Indenture; and

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WHEREAS, simultaneously with the execution and delivery of the Fourth Supplemental Indenture, (A) the Issuer and the Institution entered into a fourth amendment to installment sale agreement dated as of December 1, 2010 (the "Fourth Amendment to Installment Sale Agreement", and collectively with the Existing Installment Sale Agreement, the "Installment Sale Agreement") by and between the Issuer and the Institution and consented to by the Trustee, the Bond Insurer and the Credit Facility Issuer, pursuant to which certain amendments were made to the Existing Installment Sale Agreement to conform to the provisions of the Indenture, and (B) the Institution, the Issuer and/or the Trustee (with the consent of the Present Owner, the Bond Insurer and the Credit Facility Issuer) executed and delivered (1) a fourth amendment to pledge and assignment dated as of December 1, 2010 (the "Fourth Amendment to Pledge and Assignment", and collectively with the Existing Pledge and Assignment, the "Pledge and Assignment"), which conforms the definitions in the Existing Pledge and Assignment to the definitions in the Indenture, (2) a fourth amendment to guaranty dated as of December 1, 2010 (the Fourth Amendment to Guaranty", and collectively with the Existing Guaranty, the "Guaranty"), which makes certain changes to the Existing Guaranty to conform to the provisions of the Indenture and the Bondowner Agreement (as defined in the Indenture), (3) a mortgage modification agreement dated as of December 1, 2010 between the Institution, the Issuer, the Trustee and the Credit Facility Issuer (the "Fourth Amendment to Mortgage", and collectively with the Existing Mortgage, the "Mortgage"), pursuant to which the Existing Mortgage was further amended to confirm that the Initial Mortgage as so amended secures the Bank with respect to any Bondowner Agreements and any swap or interest rate hedging agreements for the Initial Bonds, the Series 2007 Bonds and the Series 2007B Bonds, and (4) an amended and restated Intercreditor agreement dated as of December 1, 2010 (the "Amended and Restated Intercreditor Agreement") by and among the Institution, the Issuer, the Credit Facility Issuer, the Trustee and Wells Fargo Bank Northwest National Association, as collateral trustee for the Noteholders (as defined in the Amended and Restated Intercreditor Agreement); and

WHEREAS, simultaneously with the execution of the Fourth Supplemental Indenture, (A) the Bank and the Institution executed and delivered a bank bond purchase agreement dated as of December 1, 2010 (the "Reissued Initial Bondowner Agreement") by and between the Bank and the Institution, pursuant to which, among other things, (1) the Bank agreed, subject to certain conditions, to purchase the Initial Bonds bearing interest in the Bank Purchase Rate Mode for a period ending on December 1, 2013, (2) the Present Owner waived its right to receive notice of the proposed conversion of the interest rate mode on the Initial Bonds pursuant to Section 209(D)(3) of the Indenture, and (3) pursuant to Section 209(D)(1) of the Indenture, the Institution gave notice to the Trustee, the Liquidity Provider, the Tender Agent, the Bond Insurer and the Remarketing Agent (the "Institution Initial Conversion Notice") notifying the Trustee, the Liquidity Provider, the Tender Agent, the Bond Insurer and the Remarketing Agent that the Institution intends to convert the interest rate mode on the Initial Bonds from the Variable Rate to the Bank Purchase Rate mode (the Initial Bonds following such conversion being hereinafter referred to as the "Reissued Initial Bonds") and (B) the Bank and the Institution executed and delivered a bank bond purchase agreement dated as of December 1, 2010 (the "Reissued Series 2007A Bondowner Agreement") by and between the Bank and the Institution, pursuant to which, among other things, (1) the Bank agreed, subject to certain conditions, to purchase the Series 2007A Bonds bearing interest in the Bank Purchase Rate Mode for a period ending on December 1, 2013, (2) the Present Owner waived its right to receive notice of the proposed conversion of the interest rate mode on the Series 2007A Bonds pursuant to Section 209(D)(3) of the Indenture, and (3) pursuant to Section 209(D)(1) of the Indenture, the Institution gave notice to the Trustee, the Liquidity Provider, the Tender Agent, the Bond Insurer and the Remarketing Agent (the "Institution Series 2007A Conversion Notice") notifying the Trustee, the Liquidity Provider, the Tender Agent, the Bond Insurer and the Remarketing Agent that the Institution intends to convert the interest rate mode on the Series 2007A Bonds from the Variable Rate to the Bank Purchase Rate mode

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(the Series 2007A Bonds following such conversion being hereinafter referred to as the "Reissued Series 2007A Bonds") (the above enumerated documents being collectively referred to as the "Bond Documents"); and

WHEREAS, the Institution has requested (the "Request"), which Request is attached hereto as Exhibit A, the Issuer to consent to the release (the "Release") of an approximately 0.25 acre parcel (the "Release Parcel") of the Initial Land, the 2006 Land, the Series 2007A Land and the Series 2007B Land (collectively, the "Land") to allow the Release Parcel to be clear of encumbrances; and

WHEREAS, Section 9.4 of the Initial Installment Sale Agreement, as amended, permits the Release as long as the Institution obtains (A) the consents of the Issuer and the Trustee and (B) an opinion of Bond Counsel that the Release will not adversely affect the exclusion of the interest payable on the bonds issued by the Issuer to finance the above Projects from gross income of the holders thereof for Federal income tax purposes; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations", and collectively with the SEQR Act, "SEQRA"), it appears that the release of the parcel is not an "Action" under SEQRA and therefore is not subject to a SEQRA review by the Issuer;

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

<u>Section 1.</u> Pursuant to SEQRA, the release of the parcel is not an "Action" under SEQRA and therefore is not subject to SEQRA review by the Issuer.

Section 2. The Issuer hereby consents to the Release and the execution of any documents necessary to effectuate the Release (collectively, the "Release Documents"); provided, however, that such consent is contingent upon (A) receipt by the Issuer of the written consent of the Trustee, (B) approval by Issuer Counsel and Bond Counsel to the form of the Release Documents (including, if required, the inclusion of any other land to the Mortgage to replace the release of the Release Parcel), (C) compliance with the terms and conditions contained in the Bond Documents, (D) an opinion of Bond Counsel that the Release will not adversely affect the exclusion of the interest payable on the bonds issued by the Issuer to finance the above Projects from gross income of the holders thereof for Federal income tax purposes, if necessary, (E) evidence satisfactory to the Issuer that all payments in lieu of taxes and other local fees and assessments relating to the above Project Facilities, if any, have been paid by the Company and (F) the payment by the Company of the administrative fee of the Issuer, if any, and all other fees and expenses of the Issuer in connection with the delivery of the Release Documents, including the fees of Issuer Counsel and Bond Counsel.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairperson (or Vice Chairperson) of the Issuer is hereby authorized to execute and deliver the Release Documents and the modified Bond Documents to reflect the Release, and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairperson (or Vice Chairperson) shall approve, the execution thereof by the Chairperson (or Vice Chairperson) to constitute conclusive evidence of such approval.

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Section 4. 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 the provisions of the Release, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses 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 Release.

# <u>Section 5</u>. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Keith Defayette	VOTING	YES
Kim Murray	VOTING	YES
Mark Leta	VOTING	YES
John VanNatten	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

COUNTY OF CLINTON

Resolution # 06-14-01 - Release of Certain Lands

I, the undersigned, Secretary of the County of Clinton Industrial Development Agency (the "Issuer"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Issuer, including the Resolution contained therein, held on June 9, 2014 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Issuer and of such Resolution set forth therein and insofar as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 9<sup>th</sup> day of June, 2014.

Michael E. Zurlo, Secretary

EXHIBIT A

REQUEST

- SEE ATTACHED -

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#### ATTORNEYS & COUNSELLORS AT LAW

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June 3, 2014

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COMMUNITY BANK, N.A., 121 Main Street, Massena, NY 13662

THE BANK OF NEW YORK MELLON, 1660 West 2nd St. Suite 830 Cleveland, OH 44113

GEORGE CREGG & / NADIENE ZEIGLER Hodgson Russ, LLP 677 Broadway, Suite 301 Albany NY 12207

RE: CVPH Transfer Land Pursuant to Option

### Dear Sir/Madam:

CVPH acquired a certain portion of its premises in 1994 pursuant to a deed from an individual named Sidney Neustadt (the "Neustadt Premises"). That deed contained an option allowing Neustadt or his successors or assigns to repurchase a small portion of the Neustadt Premises for \$1.00. The land is vacant and is approximately fifteen feet (15') wide and six hundred seventy-seven (677') feet long and borders property owned by CGSR, Inc. (the "Strip"). We have attached the original deed to this letter for your review. Since 2000, CVPH has entered into several financing transactions with you that have encumbered its premises including the Strip.

Neustadt assigned his option to CGSR, Inc. and CGSR, Inc. has chosen to exercise the option. As the option predates your interest in the property and is on record, it has been our position that your interest is subject to the option. Nonetheless, CGSR, Inc. and its title company believe that it cannot obtain clear title to Strip without releases, amended UCC's, and modifications to certain agreements from you and others releasing the strip from those agreements.

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STAFFORD, PILLER, MURNANE, KELLEHER & TROMBLEY PLLC
ATTORNEYS & COUNSELLORS AT LAW

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Enclosed please find documents for your signature that release the strip from your encumbrance. As previously indicated on this small strip of vacant land is located on the border of CVPH and CGSR's property and as such is a de minimis part of the collateral property. Your cooperation is greatly appreciated as CGSR, Inc., is engaged in a project on this property and needs to have this matter with the strip completed as soon as possible. Please contact me if you have any questions about this property or these documents.

As it pertains to Hodgson Russ, LLP, this packet contains: (1) a partial release pertaining to Instrument No. 2002-143933; (2) a partial release pertaining to Instrument No. 2006-00201443; (3) an mortgage assignment pertaining to Instrument No. 02-0351; (5) a UCC-3 pertaining to Instrument No. 02-0351; (5) a UCC-3 pertaining to Instrument No. 2007-00001195; and (6) a UCC-3 pertaining to Instrument No. 2007-00001217.

If there are no questions or comments to the documents, we request that you have the documents properly executed and return the original to the undersigned. We are pleased to provide our firm's FedEx number to facilitate overnight delivery.

Very truly yours,

STAFFORD, PILLER, MURNANE, KELLEHER & TROMBLEY, PLLC

By: Susanna S. Piller, Esq.

SSP/sd Enclosures