

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
LOCAL DEVELOPMENT CORPORATION  
Resolution No. LDC-18-06-14  
June 22, 2018

**AUTHORIZING A LOAN OF UP TO \$75,000 TO KINGSTON PHARMA, LLC**

**WHEREAS**, the St. Lawrence County Industrial Development Agency Local Development Corporation (the “SLCIDA-LDC”) was formed by the St. Lawrence County Industrial Development Agency to relieve and reduce unemployment, to promote and to provide for additional and maximum employment, to better and maintain job opportunities, to instruct or train individuals to improve or to develop their capabilities for jobs, to carry on scientific research for the purpose of aiding the community of St. Lawrence County, New York by attracting industry to the community and by encouraging the development of, or retention of, an industry in the community, and to lessen the burdens of government and to act in the public interest, thus performing an essential governmental function, and

**WHEREAS**, in November 2016 by Resolution No. LDC-16-11-21 the SLCIDA-LDC authorized an equipment lease to Kingston Pharma, LLC (the “Company”) for up to \$105,000 from the St. Lawrence River Valley Redevelopment Agency fund, and

**WHEREAS**, that lease enabled the Company to acquire Pasteurizer and Filler equipment which has enabled the Company to produce pediatric electrolytes initially, and ultimately similar pharmaceutical products, and

**WHEREAS**, the Company currently has 25 full time equivalent jobs at its facility in Massena, exceeding its projections to retain 11 and create 5 new full time equivalent jobs as a result of leasing the equipment, and

**WHEREAS**, Kingston Pharma, LLC has applied to the SLCIDA-LDC and North Country Alliance for up to \$150,000 in loan financing to provide working capital to assist in the continued growth of the company’s Massena operations, and

**WHEREAS**, the North Country Alliance has approved \$75,000 in working capital funds for Kingston Pharma, LLC,

**NOW, THEREFORE, BE IT RESOLVED** that the SLCIDA-LDC agrees to lend up to \$75,000 to Kingston Pharma, LLC, and

**BE IT FURTHER RESOLVED** that said loan of up to \$75,000 shall be subject to the following terms and conditions:

1. Principal	Up to \$75,000
2. Interest Rate	One-half of prime rate plus 1, the actual rate to be determined at closing
3. Term	Five (5) year amortization schedule
4. Security	<ul style="list-style-type: none"><li>• A 2<sup>nd</sup> co-proportional lien position with the North Country Alliance on all machinery and equipment, furniture and fixtures, inventory accounts receivable and general intangibles of Kingston Pharma, LLC</li></ul>
5. Other	<ul style="list-style-type: none"><li>• Unlimited Personal Guarantee of Venkat Kakani</li><li>• Evidence of at least \$75,000 of financing from the North Country Alliance</li><li>• Key Man Life Insurance on Venkat Kakani in the amount of \$75,000</li><li>• The Company agrees to retain at least 25 FTE jobs in Massena</li><li>• Evidence of Company Equity in the Project of at least \$15,000</li></ul>

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Move:	McMahon			
Second:	LaBaff			
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Blevins	X			
Hall	X			
Hooper	X			
LaBaff	X			
McMahon	X			
Staples	X			
Morrill				X

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

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Lori Sibley June 22, 2018