ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION
Resolution No. LDC-19-02-02
February 21, 2019

AMENDING A LOAN OF UP TO $400,000 TO POTSDAM SPECIALTY PAPER, INC.

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, by Resolution LDC-17-06-11, dated June 2, 2017, Potsdam Specialty Paper, Inc. (the "Company") was approved for loan financing as part of a project to purchase and install a complete paper and film coating production line within their Potsdam facility (the "Project"), and

WHEREAS, the permitting approval process for the project has taken longer than expected and the Company is now in test production for customers, and

WHEREAS, the Company has submitted a request to restructure of the original loan to provide necessary working capital as they proceed into full production,

NOW, THEREFORE, BE IT RESOLVED that the SLCIDA-LDC agrees to restructure the original $400,000 loan by re-amortizing the outstanding balance at the current interest rate over 36 months and re-lending the currently repaid amount of up to $140,000 to the Company at one half of prime plus one percent for 36 months, and

BE IT FURTHER RESOLVED that the St. Lawrence County Industrial Development Agency Local Development Corporation authorizes the creation, execution and/or delivery of any and all documents and/or budget accounts that may be required to effectuate the transaction contemplated by this resolution, and

BE IT FURTHER RESOLVED that said amendment of up to $400,000 from the SLCIDA-LDC loan fund shall be subject to the following terms and conditions:

1.	Principal	Up to $259,946 (outstanding balance portion)
2.	Interest Rate	3.125 %
3.	Term	Thirty-Six (36) Month amortization schedule Principal and Interest
4.	Principal	Up to $140,000 (repaid amount to be recapitalized in this loan)
5.	Interest Rate	One-half of prime rate plus 1, the actual rate to be determined at closing and adjusted at the end of every five years
6.	Term	Thirty-Six (36) Month amortization schedule Principal and Interest
7.	Security	• Co-Proportional second lien behind Key Bank on all machinery and equipment, furniture and fixtures, inventory, accounts receivable and general intangibles of Potsdam Specialty Paper Inc. by way of a security agreement and UCC-1 financing statement • Unlimited Corporate Guarantee of Seafront Paper Limited

8. Other	• Unlimited Personal Guarantee of Kenny Zhang • The Company agrees to maintain the existing job requirements for the loan (to retain 71 FTE and create at least 22 FTE new jobs within the next three years (minimum fund requirement is $15,000/job) • Evidence of funding commitment by North Country Economic Development Fund in the amount of $175,000 in additional funds for the Company

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION
Resolution No. LDC-19-02-02
February 21, 2019

Move:	Hall			
Second:	McMahon			
VOTE	**AYE**	**NAY**	**ABSTAIN**	**ABSENT**
Blevins	X			
Hall	X			
Reagen	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.

/s/
_____
Lori Sibley   February 21, 2019