

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION
Resolution No. LDC-21-06-12
June 14, 2021

**AUTHORIZING A SUBORDINATION FOR M&T BANK
ASSOCIATED WITH POTSDAM SPECIALTY PAPER, INC. LOAN**

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 No. LDC-17-06-11 dated June 2, 2017, the St. Lawrence County Industrial Development Agency Local Development Corporation (the “SLCIDA-LDC”) agreed to lend Potsdam Specialty Paper, Inc. up to \$400,000.00 in loan financing (the “Loan”) as part of a project to the purchase and installation of a complete paper and film coating production line within their Potsdam facility, and

WHEREAS, by Resolution No. LDC-19-02-02 dated February 21, 2019, the SLCIDA-LDC agreed 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

WHEREAS, said Loan Agreement and the accompanying Security Agreements, Co-Proportional second lien behind Key Bank on all machinery and equipment, furniture and fixtures, inventory, accounts receivable and general intangibles of the Company, and

WHEREAS, on June 1, 2021, Potsdam Specialty Paper, Inc. requested that the SLCIDA-LDC subordinate its debt to M&T Bank in place of Key Bank when the loans come due June 30, and

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence County Industrial Development Agency Local Development Corporation authorizes subordination of its interest in the equipment and machinery serving as security for the Potsdam Specialty Paper, Inc. loan, provided that:

- All other holders of security interests in the assets specified in the Security Agreement as security for the Loan shall have also agreed in writing to subordinate their interests to the M&T Bank’s loan; and
- The SLCIDA-LDC’s security interest would revert to first position should the loan terminated or expire; and
- The Company shall pay the SLCIDA-LDC’s legal, filing and other out-of-pocket costs for effecting this subordination.

BE IT FURTHER RESOLVED that the St. Lawrence County Industrial Development Agency Local Development Corporation authorizes and directs its Chief Executive Officer, subject to approval by Legal Counsel, to execute and deliver the aforementioned subordination documents.

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Move:	Hall			
Second:	LaBaff			
VOTE	AYE	NAY	ABSTAIN	ABSENT
Blevins	X			
Hall	X			
LaBaff	X			
McMahon				X
Morrill	X			
Reagen	X			
Staples	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
 June 14, 2021