

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Resolution No. RVR-15-01 -01
 January 20, 2015

AUTHORIZING A SUBORDINATION ASSOCIATED WITH THE RIVERSIDE IRON, LLC.
 LOAN

WHEREAS, under Resolution No. RVR-14-05-06 dated May 28, 2014 the St. Lawrence River Valley Redevelopment Agency (“RVRDA”) agreed to lend Riverside Iron, LLC up to \$100,000.00 in loan financing (the “Loan”) to provide part of the working capital needed to reopen the former Riverside Ironworks plant in Gouverneur, New York, and

WHEREAS, under a Loan Agreement dated June 27, 2014 the St. Lawrence County Industrial Development Agency Local Development Corporation (“SLCIDA-LDC”) lent a total of \$250,000.00 to Riverside Ironworks (the “Company”), of which \$100,000.00 was from RVRDA account; and

WHEREAS, said Loan Agreement and the accompanying Security Agreement, also dated June 27, 2014, provided that the Loan would be secured by a first lien on “...all equipment, machinery, furniture, fixtures, accounts receivable, inventories, and general intangibles...” of the Company; and

WHEREAS, in a letter dated January 7, 2015 Gouverneur Savings and Loan (the “Bank”) notified the SLCIDA-LDC that it had approved an \$85,000.00 line of credit to the Company conditioned on the SLCIDA-LDC subordinating its first lien position on “...all the equipment associated with the business...” to enable it to expand its business; and

WHEREAS, the Company has after six months employed 11 people at the facility and almost broke even on its 2014 operations,

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency does hereby authorize the St. Lawrence County Industrial Development Agency Local Development Corporation to execute a subordination of its interest in the equipment and machinery serving as partial security for the Riverside Iron, LLC. 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 bank’s line of credit; and
- The SLCIDA-LDC’s security interest would revert to first position should the Line of Credit be terminated or expire; and
- The Company shall pay the SLCIDA-LDC’s legal, filing and other out-of-pocket costs for effecting this subordination

Move:	Strait				
Second:	Carroll				
VOTE	AYE	NAY	ABSTAIN	ABSENT	
McNeil	X				
Strait	X				
Murphy	X				
Carroll	X				
Acres	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 01/20/15