

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
Resolution No. RVR-15-04-04
April 28, 2015

AUTHORIZING A LOAN OF UP TO \$100,000 TO HOOSIER MAGNETICS, INC.

WHEREAS, the St. Lawrence River Valley Redevelopment Agency ("RVRA") seeks to actively participate in economic development projects which result in the creation of jobs, and

WHEREAS, the RVRA has partnered with the St. Lawrence County Industrial Development Agency Local Development Corporation ("SLCIDA-LDC") as prescribed in certain agreements among multiple parties dated June 2, 2010 for the purpose of providing assistance to such projects, and

WHEREAS, Hoosier Magnetics, Inc. has applied to the St. Lawrence River Valley Redevelopment Agency and the SLCIDA-LDC for up to \$100,000 in loan financing to provide part of the funds required to replace a 60 year old kiln and install a dust collector to improve emissions (collectively, the "Facility") and

WHEREAS, this funding assistance, combined with \$150,000 Owners Equity, \$500,000 Bank Financing, \$100,000 from North Country Economic Development Fund (NCEDF) and up to \$100,000 from the Ogdensburg Growth Fund ("OGF") will enable Hoosier Magnetics, Inc. to remain competitive and,

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency agrees to authorize the SLCIDA-LDC to lend up to \$100,000 from the RVRA's Economic Development Fund to Hoosier Magnetics, LLC, and

BE IT FURTHER RESOLVED that said loan of up to \$100,000 shall be subject to the following terms and conditions

1. Principal	Up to \$100,000
2. Interest Rate	One-half of prime rate plus 1, the actual rate to be determined at closing and adjusted at the end of the fifth year
3. Term	Five (5) year amortization schedule
4. Security	2 nd co-proportional mortgage and assignment of rents and leases on 110 Denny Street, Ogdensburg NY 13669. 2 nd co-proportional lien position on all machinery and equipment, furniture and fixtures, accounts receivable, inventory and general intangibles.
5. Other	<ul style="list-style-type: none">• Unlimited Personal Guarantee of B. Thomas Shirk.• Evidence of Bank financing in an amount no less than \$500,000.• Evidence of at least \$100,000 of funding from OGF.• Evidence of at least \$100,000 of funding from NCEDF• Evidence of cash equity in the project of a least \$150,000.• Key Man Life insurance on B. Thomas Shirk in an amount sufficient to cover the outstanding balance of the loan.• Subordination of any loans to shareholders• The Company created 3 FTE during 2014 in anticipation of this project and agrees to retain no fewer than 33 FTE over the next three years.

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 April 28, 2014

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Move:	Carroll			
Second:	Strait			
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

04/28/15