

**RESOLUTION APPROVING LAND RELEASE
SWAIN RECREATION CENTER, LLC**

A regular meeting of Allegany County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at the Crossroads Center, 6087 NYS Route 19N, Belmont, New York on September 12, 2013 at 10:00 a.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

| | |
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| Charles O. Jessup | Chairman |
| Theodore L. Hopkins | Vice-Chairman |
| Richard L. Ewell | Assistant Secretary/Treasurer |
| Michael Johnsen | Member |

ABSENT:

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| John E. Corneby | Member |
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ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

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| John E. Foels | Chief Executive Officer |
| Daniel A. Spitzer, Esq. | Agency Counsel |

The following resolution was offered by Michael Johnsen, seconded by Richard L. Ewell, to wit:

Resolution No. _____

**RESOLUTION APPROVING THE RELEASE OF CERTAIN PARCELS OF LAND
WITH RESPECT TO THE SWAIN RECREATION CENTER, LLC PROJECT AND
DELIVERY OF ANY AND ALL RELATED DOCUMENTS NECESSARY FOR
SUCH RELEASE.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 99 of the 1973 Laws of New York, as amended, constituting Section 906-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to

cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on or about December 28, 2011, the Agency entered into a lease/leaseback transaction with Swain Recreation Center, LLC (the "Company") for the purpose of providing financial assistance to a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in parcels of land having an address of 2275 Main Street, County Road 24, in the Hamlet of Swain, Town of Grove, Allegany County, New York, tax parcel identification numbers: 33.-1-43.11, 32.-1-17, and 32.-1-16.1 (the "Land"), together with existing buildings (the "Existing Facilities") located thereon, (2) the renovation and reconstruction of the Existing Facilities; and (3) the acquisition and installation therein and thereon of certain machinery, equipment, and infrastructure (the "Equipment," and together with the Land and the Existing Facilities, being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and operated as a ski resort; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency;

In connection with the Project, the Agency and the Company entered into, among other things, a lease to agency or underlying lease dated as of December 1, 2011 (the "Underlying Lease") and a lease agreement dated as of December 1, 2011 (the "Lease Agreement")

WHEREAS, the Company has requested that the Agency release certain parcels (the "Release Parcels") from the leasehold interests created by the Underlying Lease and the Lease Agreement; and

WHEREAS, the Agency desires to release the Release Parcels;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The releases being prepared for the Release Parcels and the First Amendment to the Lease Agreement (the "Release Documents") will be effective instruments whereby the Agency provides for the release of the Release Parcels from the Lease Agreement and Underlying Lease.

Section 2. In consequence of the foregoing, the Agency hereby determines to release the Release Parcels and to execute and deliver the Release Documents any other document necessary to release the Release Parcels.

Section 3. The form and substance of the Release Documents (in substantially the form presented to the Agency or in such forms as the Chairman, Vice Chairman or the Executive Director of the Agency and Counsel to the Agency shall approve, and which, prior to the execution and delivery thereof, may be redated) is hereby approved.

Section 4. The Chairman, Vice Chairman, the Executive Director and all members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Release Documents

and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, the Executive Director or Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution in substantially the form presented to this meeting or in such forms as the Chairman, Vice Chairman, or the Executive Director shall approve. The execution thereof by the Chairman, Vice Chairman or the Executive Director of the Agency shall constitute conclusive evidence of such approval.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

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| Charles O. Jessup | VOTING | Aye |
| Theodore L. Hopkins | VOTING | Aye |
| Richard L. Ewell | VOTING | Aye |
| Michael Johnsen | VOTING | Aye |
| John E. Corneby | VOTING | Absent |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALLEGANY)

I, the undersigned (Assistant) Secretary of Allegany County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on September 12, 2013 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 18th day of September, 2013.



(Vice) Chairman

(SEAL)