
ESSEX COUNTY CAPITAL RESOURCE CORPORATION

Index of Documents

Record of Proceedings

\$7,100,000

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

North Country School Revenue Bonds,
Series 2019

Responsible
Party

I. BASIC DOCUMENTS

- | | | |
|--------------|----|--|
| Issuer | 1. | A copy of Section 1411 of the Not-for-Profit Corporation Law (“N-PCL”) of the State of New York, as amended (the “Act”) |
| BC | 2. | The North Country School Bond Resolution (the “Bond Resolution”) authorizing the issuance of North Country School Revenue Bonds and the execution and delivery of the Bond Purchase and Loan Agreement, adopted by the Essex County Capital Resource Corporation (the “Issuer”) on February 21, 2019 |
| BC | 3. | Bond Purchase and Loan Agreement, dated as of March 1, 2019, by and among Boston Private Bank & Trust Company, as bondholder (the “Bondholder”), the Issuer and North Country School (the “Institution”) |
| BC | 4. | Executed Bonds |
| Bank Counsel | 5. | Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019, from the Institution to the Issuer |
| Bank Counsel | 6. | Continuing Covenants Agreement, dated as of March 29, 2019 between the Institution and the Bondholder |
| Bank Counsel | 7. | Negative Pledge Agreement, dated as of March 29, 2019, from the Institution to the Issuer |
| BC | 8. | Assignment of Bond Purchase and Loan Agreement, dated as of March 29, 2019 |
| Bank Counsel | | |

Bank Counsel 9. Assignment of Mortgage from the Issuer to the Bondholder, dated as of March 29, 2019

10. Assignment of Negative Pledge Agreement from the Issuer to the Bondholder, dated as of March 29, 2019

II. ESSEX COUNTY CAPITAL RESOURCE CORPORATION

BC 11. Omnibus Certificate of the Issuer with the following Exhibits attached:

- (a) Inducement Resolution;
- (b) The Bond Resolution adopted on February 21, 2019;
- (c) Certificate of Incorporation and the By-Laws of the Issuer;
- (d) TEFRA Proceedings, including, notice/proof of publication and extract of minutes of the meeting held on December 21, 2018;
- (e) Specimen signatures of Authorized Officers of the Issuer; and
- (f) Specimen Bonds

BC 12. Order Directing Bondholder as to Deposit of Proceeds and Other Moneys

BC 13. Certificate as to Delivery and Payment

BC 14. Certificate as to Representations, Warranties and Compliance.

BC 15. Tax Certificate and Agreement with the following Exhibits attached:

- (a) Definitions to Tax Certificate and Agreement;
- (b) Use of Proceeds Checklist and Remedial Action Instructions;
- (c) Arbitrage Compliance Checklist;
- (d) Rebate Instructions;
- (e) Useful Life Chart and Tax Spreadsheet;
- (f) Bondholder's Certificate;
- (g) Financial Advisor's Certificate;

- (h) Declaration of Official Intent to Reimburse Pre-Issuance Expenditures;
- (i) Tax Questionnaire Response; and
- (j) Form 8038

III. THE INSTITUTION

IC/BC 16. Omnibus Certificate of an Authorized Officer of the Institution with the following Exhibits attached:

- (a) Resolutions adopted by the Board of Trustees of the Institution on July 27, 2018 and January 25, 2019.
- (b) Charter of the Institution as certified by the Department of Education of the State of New York;
- (c) By-Laws of the Institution;
- (d) Good Standing Certificate issued by the Department of Education of the State of New York; and

IC/BC 17. Certificate of the Institution as to Representations and Warranties and Related Matters pursuant to Sections 2.02(b)(ii) and 7.03 of the Bond Purchase and Loan Agreement:

18. Environmental Compliance Certificate of the Institution

IC/BC

IV. PURCHASER

BC 19. Receipt and Certificate for Series 2019 Bonds

V. OPINIONS

BC 20. Opinion of Squire Patton Boggs (US) LLP, Bond Counsel, with respect to the Series 2019 Bonds with reliance letter of Squire Patton Boggs (US) LLP addressed to the Bondholder

Issuer Counsel 21. Opinion of Briggs Norfolk LLP, Esq., General Counsel to the Issuer

IC 22. Opinion of Locke Lord LLP, Counsel to the Institution, required by Section 2.02(b)(vii) of the Bond Purchase and Loan Agreement

VI. APPROVALS AND CONSENTS

- Issuer 23. Approval of the Essex County Legislature and Evidence of Public Hearing and Approval

VII. ADDITIONAL BANK DOCUMENTS

- Bank Counsel 24. Security Agreement (all assets)
- Bank Counsel 25. Pledge Agreement (account)
- Bank Counsel 26. Pledged Asset Agreement for Collateral Loans
- Bank Counsel 27. Hazardous Materials Indemnity Agreement
- Bank Counsel 28. Commitment
- Bank Counsel 29. Mortgage Tax Affidavits
- Bank Counsel 30. Notice of Lending
- Bank Counsel 31. Assignment of Construction Contracts
- Bank Counsel 32. Notice of Assignment
- Bank Counsel 33. Loan Agreement (Revolving Line of Credit)
- Bank Counsel 34. Demand Revolving Line of Credit Note
- Bank Counsel 35. Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019, from the Institution to the Bank. (Revolving Line of Credit).

VIII. MISCELLANEOUS

- IC 36. Insurance Certificate(s)
- IC 37. UCC and Title Search Reports
- Bank Counsel 38. UCC Financing Statements
- BC 39. Certificate as to Recordation of the Bond Purchase and Loan Agreement, the Notice of Assignment, the Notice of Lending, the

Negative Pledge Agreement, and the Assignment of the Negative Pledge Agreement

- FA 40. Closing Memorandum (including Wiring Instructions and Wire Confirmation)
41. Requisition

A copy of Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York, as amended (the "Act")

New York Consolidated Laws

Not-For-Profit Corporation

Article 14. SPECIAL NOT-FOR-PROFIT CORPORATIONS (§§ 1401 to 1412)

Section 1411. Local development corporations

(a) Purposes.

This section shall provide an additional and alternate method of incorporation or reincorporation of not-for-profit corporations for any of the purposes set forth in this paragraph and shall not be deemed to alter, impair or diminish the purposes, rights, powers or privileges of any corporation heretofore or hereafter incorporated under this section or under the stock or business corporation laws. Corporations may be incorporated or reincorporated under this section as not-for-profit local development corporations operated for the exclusively charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, carrying on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area or by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest, and any one or more counties, cities, towns or villages of the state, or any combination thereof, or the New York job development authority in exercising its power under the public authorities law to encourage the organization of local development corporations, may cause such corporations to be incorporated by public officers or private individuals or reincorporated upon compliance with the requirements of this section, and it is hereby found, determined and declared that in carrying out said purposes and in exercising the powers conferred by paragraph (b) such corporations will be performing an essential governmental function.

(b) Type of corporation. A local development corporation is a charitable corporation under this chapter.

(c) Powers.

In furtherance of its purposes set forth in paragraph (a) but not for any other purposes, a local development corporation incorporated or reincorporated under this section shall have the following powers: to construct, acquire, rehabilitate and improve for use by others industrial or manufacturing plants in the territory in which its operations are principally to be conducted, to assist financially in such construction, acquisition, rehabilitation and improvement, to maintain such plants for others in such territory, to disseminate information and furnish advice, technical assistance and liaison with federal, state and local authorities with respect thereto, to acquire by purchase, lease, gift, bequest, devise or otherwise real or personal property or interests therein, to borrow money and to issue negotiable bonds, notes and other obligations therefor, and notwithstanding section 510 (Disposition of all or substantially all assets) without leave of the court, to sell, lease, mortgage or otherwise dispose of or encumber any such plants or any of its real or personal property or any interest therein upon such terms as it may determine and, in connection with loans from the New York job development authority, to enter into covenants and agreements and to comply with all the terms, conditions and provisions thereof, and otherwise to carry out its corporate purposes and to foster and encourage the location or expansion of industrial or manufacturing plants in the territory in which the operations of such corporation are principally to be conducted, provided, however, that no such corporation shall attempt to influence legislation by propaganda or otherwise, or participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office.

(d) Purchase or lease of real property owned by a county, city, town or village.

(1) The local legislative body of a county, city, town or village or, if there is a board of estimate in a city, then the board of estimate, may by resolution determine that specifically described real property owned by the county, city, town or village is not required for use by such county, city, town or village and authorize the county, city, town or village to sell or lease such real property to a local development corporation incorporated or reincorporated under this article; provided, however, that title to such land be not declared inalienable as a forest preserve or a parkland.

(2) Notwithstanding the provisions of any general, special or local law, charter or ordinance to the contrary, such sale or lease may be made without appraisal, public notice, (except as provided in subparagraph (4)) or public bidding for such price or rental and upon such terms as may be agreed upon between the county, city, town or village and said local development corporation; provided, however, that in case of a lease the term may not exceed ninety-nine years and provided, further, that in cities having a population of one million or more, no such sale or lease shall be made without the approval of a majority of the members of the borough improvement board of the borough in which such real property is located.

(3) Before any sale or lease to a local development corporation incorporated or reincorporated under this article shall be authorized, a public hearing shall be held by the local legislative body, or by the board of estimate, as the case may be, to consider the proposed sale or lease.

(4) Notice of such hearing shall be published at least ten days before the date set for the hearing in such publication and in such manner as may be designated by the local legislative body, or the board of estimate as the case may be.

(5) A local development corporation, incorporated or reincorporated under this section, which purchases or leases real property from a county, city, town or village, shall not, without the written approval of the county, city, town or village, use such real property for any purpose except the purposes set forth in the certificate of incorporation or reincorporation of said local development corporation. In the event such real property is used in violation of the restrictions of this paragraph, the attorney-general may bring an action or special proceeding to enjoin the unauthorized use.

(e) Certificate of incorporation.

In addition to the requirements of section 402 (Certificate of incorporation; contents) the certificate of incorporation or reincorporation of a local development corporation incorporated or reincorporated under this article shall state (1) that all income and earnings of such corporation shall be used exclusively for its corporate purposes or accrue and be paid to the New York job development authority, (2) that no part of the income or earnings of such corporation shall inure to the benefit or profit of, nor shall any distribution of its property or assets be made to any member or private person, corporate or individual, or any other private interest, except that the certificate of incorporation or reincorporation may authorize the repayment of loans and may also authorize the repayment of contributions (other than dues) to the local development corporation but only if and to the extent that any such contribution may not be allowable as a deduction in computing taxable income under the internal revenue code of nineteen hundred fifty-four, (3) that if such corporation accepts a mortgage loan or loans from the New York job development authority, such corporation shall be dissolved in accordance with the provisions of paragraph (g) upon the repayment or other discharge in full by such corporation of all such loans.

(f) Exemption of income from taxation.

The income and operations of corporations incorporated or reincorporated under this section shall be exempt from taxation.

(g) Dissolution.

Upon the dissolution of any local development corporation incorporated or reincorporated under this section no member or private person, corporate or individual, or other private interest, shall be entitled to any distribution or division of its remaining funds and other property and rights and interests in property, and the balance thereof, after the payment of all debts and liabilities of the corporation of whatsoever kind and nature, (including the payment of loans and contributions the repayment of which has been authorized in its certificate of incorporation or reincorporation) shall be distributed to one or more counties, cities, towns or villages within the territory designated in its certificate of incorporation or reincorporation as the territory in which its operations are principally to be conducted, for furtherance of the purposes set forth in paragraph (a), or to the New York job development authority, as shall be provided by said corporation or by order of the supreme court of the state of New York pursuant to section 1008 (Jurisdiction of supreme court to supervise dissolution and liquidation).

(h) Corporations heretofore incorporated.

Any corporation heretofore incorporated under the membership corporations law or this chapter, or under the stock or business corporation law for any of the purposes set forth in paragraph (a) of this section may amend its certificate of incorporation and be reincorporated as a local development corporation organized under this section by making and filing in the office of the secretary of state a certificate, stating the name of such corporation, and, if it has been changed, the name under which it was originally incorporated, the date of its incorporation, the names and post-office addresses of its members or of the holders of record of all of the outstanding shares of such corporation entitled to vote with relation to the proceedings provided for in the certificate and that such corporation has elected to become and be a local development corporation organized and operated under and by virtue of this section. Such certificate shall be either (1) subscribed in person or by proxy by all of the members or the holders of record of all of the outstanding shares of such corporation entitled to vote with relation to such proceedings and shall have annexed an affidavit of the secretary or an assistant secretary that the persons who have executed the certificate, in person or by proxy, constitute all of the members or the holders of record of all of the outstanding shares of the corporation entitled to vote with relation to the proceedings provided for in the certificate, or (2) subscribed by the president or a vice president and the secretary or an assistant secretary and shall have annexed an affidavit of such officers stating that they have been authorized to execute and file such certificate by the votes, cast in person or by proxy, of all of the members or of the holders of record of all of the outstanding shares of such corporation entitled to vote with relation to such proceedings at the meeting at which such votes were cast, and that such votes were cast at a meeting of members or stockholders held on a date specified, upon notice pursuant to section 605 (Notice of meeting of members) or to section 605 of the Business Corporation Law. Every certificate filed under this paragraph shall have endorsed thereon or annexed thereto the approval of a justice of the supreme court of the judicial district in which the office of the corporation is to be located. A reincorporation pursuant to this paragraph shall not effect a dissolution of the corporation, but shall be deemed a continuation of its corporate existence, without affecting its then existing property rights or liabilities, or the liabilities of its members or officers as such, but thereafter it shall have only such rights, powers and privileges, and be subject only to such other duties and liabilities, as a corporation created for the same purposes under this article.

(i) Effect of section.

Corporations incorporated or reincorporated under this section shall be organized and operated exclusively for the purposes set forth in paragraph (a), shall have, in addition to the powers otherwise conferred by law, the powers conferred by paragraph (c) and shall be subject to all the restrictions and limitations imposed by paragraph (e) and paragraph (g). In so far as the provisions of this section are inconsistent with the provisions of any other law, general or special, the provisions of this section shall be controlling as to corporations incorporated or reincorporated hereunder.

Amended by New York Laws 2013 , ch. 549 , Sec. 121 , eff. 7/1/2014 .

The North Country School Bond Resolution adopted by the Issuer on February 21, 2019.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

Resolution

Authorizing the Issuance of

Up to \$7,100,000

**North Country School Revenue Bonds,
Series 2019A and Series 2019B**

Adopted February 21, 2019

RESOLUTION
AUTHORIZING THE ISSUANCE OF UP TO
\$7,100,000
NORTH COUNTRY SCHOOL
REVENUE BONDS

WHEREAS, the Essex County Capital Resource Corporation (the “Issuer”) is adopting this Resolution authorizing the issuance of a series of bonds pursuant to the terms hereof and the terms of a Bond Purchase and Loan Agreement (the “Bond Purchase and Loan Agreement”) by and among the Issuer, North Country School (the “Institution”) and Boston Private Bank & Trust Company (the “Bondholder”);

WHEREAS, the Bondholder has agreed to purchase from the Issuer its North Country School Revenue Bonds, Series 2019A and Series 2019B (the “Bonds”), in the aggregate principal amount of up to Seven Million One Hundred Thousand Dollars (\$7,100,000), the proceeds of which Bonds are being loaned by the Issuer to the Institution in accordance with the terms of the Bond Purchase and Loan Agreement in order to finance or refinance a portion of the costs of (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the “Facilities”), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the “Equipment”), and (iii) the refinancing of outstanding indebtedness of the Institution, all of the Facilities of which are to be located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, New York 12946 (collectively, the “Project”), and the costs of issuance of the Bonds and certain related costs and expenses of the Project. Such Bonds shall evidence the Issuer’s special obligation to repay such aggregate principal amount, and the Issuer has agreed to issue, execute and deliver the Bonds, in accordance with the terms of this Resolution and the Bond Purchase and Loan Agreement;

WHEREAS, the Bonds issued hereunder are special obligations of the Issuer payable from and secured solely by, the payments to be made by the Institution pursuant to the Bond Purchase and Loan Agreement;

WHEREAS, this Resolution, together with the Bond Purchase and Loan Agreement and other documents referenced herein, provide for the following transactions:

- (a) the Issuer’s issuance of the Bonds and sale of such Bonds to the Bondholder;
- (b) the Issuer’s loan of the proceeds of the Bonds to the Institution for the purpose of financing and refinancing the Project;

(c) the Institution's repayment of the loan of Bond proceeds from the Issuer through payment to the Bondholder of all amounts necessary to pay the Bonds;

(d) the Issuer's assignment to the Bondholder of the Issuer's rights under the Bond Purchase and Loan Agreement (with the exception of certain reserved rights), including the Revenues to be received and the rights to receive the same and to enforce the Issuer's rights under said Bond Purchase and Loan Agreement against the Institution (including, without limitation, the negative pledge);

(e) the Institution's repayment of the loan of Bond Proceeds from the Issuer through payment to the Bondholder of all amounts necessary to pay the Bonds;

BE IT RESOLVED by the Essex County Capital Resource Corporation, as follows:

1. The Issuer hereby determines to: (i) issue and sell the Bonds to the Bondholder pursuant to and in accordance with the Bond Purchase and Loan Agreement, (ii) use the proceeds of the Bonds to finance and refinance the Project; (iii) secure the Bonds by vesting certain powers and duties in the Bondholder pursuant to the Bond Purchase and Loan Agreement, and by assigning to the Bondholder certain of the Issuer's rights and remedies thereunder, including the right to collect and receive amounts payable thereunder and to enforce the Issuer's rights under said Bond Purchase and Loan Agreement against the Institution (including, without limitation, the negative pledge).

2. The Issuer is hereby authorized to issue and execute, sell and deliver the Bonds to the Bondholder in the aggregate principal amount not to exceed \$7,100,000 pursuant to the Act and in accordance with the Bond Purchase and Loan Agreement, provided that:

(a) The Bonds shall (i) be issued, executed and delivered at such time as an Authorized Officer shall determine, and (ii) bear interest at the rates, be subject to redemption or tender prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are set forth in the Bonds and the Bond Purchase and Loan Agreement, which terms are specifically incorporated herein with the same force and effect as if fully set forth herein.

(b) The Bonds shall be issued solely for the purpose of providing funds to finance the Project, and to finance certain administrative, legal, financial and other expenses of the Issuer incurred in connection with the undertaking of the Project and incidental to the issuance of the Bonds.

- (c) The Bonds and the interest thereon are not and shall never be a debt of the State of New York, the County of Essex or any other political subdivision and none of the State of New York, the County of Essex or any other political subdivision shall be liable thereon.
- (d) The Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the Revenues as provided by the Bond Purchase and Loan Agreement.
- (e) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Bonds or of any other funds that, if such use had been reasonably expected on the date of issue of the Bonds, would cause the Bonds to be “arbitrage bonds” within the meaning of §148 of the Code.

3. Any Authorized Officer is hereby authorized on behalf of the Issuer to execute and deliver the Bonds, the Bond Purchase and Loan Agreement, the Assignment of the Bond Purchase and Loan Agreement, the Mortgage, the Assignment of Mortgage, the Tax Compliance Agreement and such other documents determined to be necessary to effectuate the loan authorized by this Resolution (hereinafter collectively called the “Financing Documents”), and where appropriate, the Secretary or any Assistant Secretary of the Issuer is hereby authorized to affix the seal of the Issuer to the Bonds. Such Financing Documents shall be in the form delivered at the closing of the Bonds as an Authorized Officer shall approve provided that the provisions thereof are consistent with the provisions of this Resolution. The execution thereof by the Authorized Officer or any member of the board of the Issuer shall constitute conclusive evidence of such approval.

ARTICLE I.

DEFINITIONS AND STATUTORY AUTHORITY

SECTION 1.01 Definitions(a) All terms which are defined in Section 1.01 of the Bond Purchase and Loan Agreement shall have the same meanings, respectively, in this Resolution as such terms are given in said Section 1.01 of the Bond Purchase and Loan Agreement.

SECTION 1.02 Authority for the ResolutionThis Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II.

AUTHORIZATION, TERMS AND ISSUANCE

SECTION 2.01 Authorization, Principal Amount and Series Designation
There is hereby authorized to be issued a series of Bonds entitled to the benefit, protection and security of the Bond Purchase and Loan Agreement in an aggregate principal amount not to

exceed \$7,100,000, consisting of the Series 2019A Bonds in the principal amount of Five Million Three Hundred Thousand dollars (\$5,300,000) and the Series 2019B Bonds in the principal amount of One Million Eight Hundred Thousand dollars (\$1,800,000). Such series of Bonds shall be designated as “North Country School Revenue Bonds, Series 2019A and Series 2019B.”

SECTION 2.02 PurposesThe purposes for which the Bonds are being issued are (i) to finance or refinance the Costs of the Project, and (ii) to pay Costs of Issuance incidental to the issuance and sale of the Bonds.

SECTION 2.03 Delegation of AuthorityThere is hereby delegated to any Authorized Officer of the Issuer, subject to the limitations contained herein and in the Bond Purchase and Loan Agreement, the power with respect to the Bonds to determine and carry out the following:

(a) Subject to the limitation set forth in Section 2.01 hereof, the principal amount of Bonds to be issued in one or more series or subseries;

(b) The Bond Year and the date or dates, maturity date or dates and principal amount of each maturity of the Bonds, the amount and date of each principal installment; *provided, however*, that no Bond shall mature later than 30 years following the date of issuance and delivery;

(c) The interest rate or rates of the Bonds applicable for each interest rate period, the method for the determination thereof, including any conversion options, the date from which interest on the Bonds shall accrue and the first interest payment date therefor; *provided, however*, that the initial true interest cost at the time of issuance (as determined by an Authorized Officer of the Issuer, which determination shall be conclusive) on the Bonds shall not exceed seven and a half percent (7.5%) per annum;

(d) The denomination or denominations of and the manner of numbering and lettering the Bonds; provided however that the Bonds shall be in denominations of \$100,000 or greater;

(e) The redemption terms, if any, for the Bonds; *provided, however*, that the Redemption Price of any Bond subject to redemption at the election of the Issuer or in accordance with the Resolution shall not be greater than one hundred percent (100%) of the principal amount of the Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption and any breakage fees, premiums or other fees required to be paid by the Institution to the Bondholder under the Bond Purchase and Loan Agreement;

(f) Provisions for the initial sale of the Bonds through a Private Placement with the Bondholder and for the delivery thereof;

(g) The form of the Bonds, which are hereby authorized to be issued in fully registered form, and the form of the certificate of authentication thereon;

- (h) Directions for the application of the proceeds of the Bonds;
- (i) The security for the Bonds; and
- (j) Any other provisions deemed advisable by an Authorized Officer of the Issuer, not in conflict with the provisions hereof.

Such Authorized Officer shall execute the Bond Purchase and Loan Agreement evidencing determinations or other actions taken pursuant to the authority granted herein, and the execution and delivery of such Bond Purchase and Loan Agreement shall be conclusive evidence of the action or determination of such Authorized Officer as to the matters stated therein.

ARTICLE III.

EXECUTION AND AUTHENTICATION

SECTION 3.01 Execution and AuthenticationThe Chair or other Authorized Officer of the Issuer is hereby authorized and directed to execute by manual or facsimile signature the Bonds in the name of the Issuer and the corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. The Secretary, an Assistant Secretary or other Authorized Officer of the Issuer is hereby authorized and directed to attest by manual or facsimile signature the execution of the Bonds.

SECTION 3.02 No RecourseNo recourse shall be had for the payment of the principal, Sinking Fund Installments or Redemption Price of or interest on the Bonds or for any claim based thereon, on the Resolution or on the Bond Purchase and Loan Agreement against any member, officer or employee of the Issuer or any person executing the Bonds and neither the members of the Issuer nor any other person executing the Bonds of the Issuer shall be subject to any personal liability or accountability by reason of the issuance thereof, all such liability being expressly waived and released by every Holder of an Bond by the acceptance thereof.

ARTICLE IV.

APPLICATION OF PROCEEDS

SECTION 4.01 Application of Proceeds and Deposit of MoneyOn the date of delivery of the Bonds, the Bondholder shall deposit the proceeds of the Bonds in accordance with the written instructions of an Authorized Officer of the Issuer.

ARTICLE V.

SPECIAL COVENANTS

SECTION 5.01 Tax Exemption; RebatesIn order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Bonds, the Issuer shall comply with the provisions of the Code applicable to the Bonds, including without limitation the provisions of the Code relating to the computation of the yield on investments of the "gross proceeds" of the Bonds, as such term is defined in the Code, reporting of the earnings

on such gross proceeds and rebates of earnings on such gross proceeds to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Issuer shall comply with the provisions of the Tax Certificate executed by the Issuer in connection with the Bonds.

The Issuer shall not take any action or fail to take any action which would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code; nor shall any part of the proceeds of the Bonds or any other funds of the Issuer be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

The Issuer shall make, or cause to be made, any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the Arbitrage Rebate Fund and available therefor.

SECTION 5.02 Survival of CovenantThe obligation of the Issuer to comply with the provisions of Section 5.01 hereof with respect to the rebate to the Department of the Treasury of the United States of America relating to the Bonds shall remain in full force and effect so long as the Issuer shall be required by the Code to rebate such earnings on the gross proceeds of the Bonds, notwithstanding that the Bonds are no longer Outstanding.

ARTICLE VI.

APPROVAL OF FORM AND AUTHORIZATION OF DOCUMENTS

SECTION 6.01 Bond Purchase and Loan AgreementThe form of the Bond Purchase and Loan Agreement as submitted to this meeting is approved. Any Authorized Officer of the Issuer is hereby authorized and directed to execute and deliver the Bond Purchase and Loan Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

SECTION 6.02 Execution and Delivery of DocumentsAny Authorized Officer of the Issuer is hereby authorized and directed to execute and deliver any and all documents and instruments, necessary or desirable in connection with the sale and issuance of the Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

ARTICLE VII.

MISCELLANEOUS

SECTION 7.01 When EffectiveThis Resolution shall become effective immediately upon its adoption.

STATE OF NEW YORK)
)ss.:
COUNTY OF ESSEX)

I, **Jamie Rogers**, Secretary of the Essex County Capital Resource Corporation (the “Corporation”), DO HEREBY CERTIFY as follows:

1. A regular meeting of the Corporation was duly held on February 21, 2019 and minutes of such meeting have been duly recorded in the book kept by me in accordance with law for the purpose of recording the minutes of meetings of the Corporation.

2. At such meeting more than a quorum of the members of the Corporation were present after all had been duly notified of the meeting and the purposes of the meeting in the manner and within the time prescribed by the By-Laws of the Corporation.

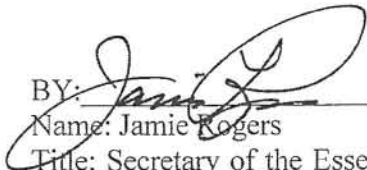
3. I have compared the attached extract with such minutes so recorded and such extract is a true and correct copy of such minutes and of the whole thereof insofar as such minutes relate to matters referred to in such extract.

4. Notice of such meeting was given as prescribed by law and such meeting was open to all persons who were entitled by law to attend such meeting.

5. The resolution referred to in such extract was introduced in typewritten form.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Essex County Capital Resource Corporation this 21st day of February, 2019

(SEAL)

BY: 
Name: Jamie Rogers
Title: Secretary of the Essex County Capital Resource Corporation, New York

Bond Purchase and Loan Agreement

NOTICE: This Bond Purchase and Loan Agreement constitutes a building loan contract for purposes of the New York Lien Law.

2019216661



Instr # 2019-3070
Joseph A. Provoncha, County Clerk

03/28/2019 03:17:00 PM
142 Pages
BUILDING & LOAN AGREE

ESSEX COUNTY CAPITAL RESOURCE CORPORATION
and
BOSTON PRIVATE BANK & TRUST COMPANY, as Bondholder
and
NORTH COUNTRY SCHOOL

BOND PURCHASE AND LOAN AGREEMENT

Dated as of March 1, 2019

Relating to the Essex County Capital Resource Corporation North
Country School Revenue Bonds, Series 2019A and 2019B



RR:
GREENBERG TRAURIG LLP
ATTN: BEN MCGUIRE ESQ
ONE INTERNATIONAL PLACE ST 2000
BOSTON MA 02110

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BOND PURCHASE AND LOAN AGREEMENT

THIS BOND PURCHASE AND LOAN AGREEMENT, dated as of March 1, 2019 (this “**Bond Purchase and Loan Agreement**”), is by and among the ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a local development corporation organized and existing pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the “**Act**”) having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York (the “**Issuer**”), BOSTON PRIVATE BANK & TRUST COMPANY, a Massachusetts chartered bank, having an office at 10 Post Office Square, Boston, Massachusetts, 02109 (together with any successors or assigns permitted hereunder, the “**Bondholder**”), and NORTH COUNTRY SCHOOL, a duly organized and validly existing New York education corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), which is exempt from Federal income taxation pursuant to Section 501(a) of the Code, having an office at 4382 Cascade Road, Lake Placid, New York 12946 (the “**Institution**”).

R E C I T A L S

The Issuer, on February 21, 2019, adopted its North Country School Revenue Bond Resolution authorizing, among other things, the execution and delivery of this Bond Purchase and Loan Agreement and the issuance of the Bonds pursuant to the terms of this Bond Purchase and Loan Agreement.

The Bondholder has agreed to purchase from the Issuer its North Country School Revenue Bonds, Series 2019 (the “**Bonds**”), in the aggregate principal amount of Seven Million One Hundred Thousand Dollars (\$7,100,000) and consisting of the Series 2019A Bonds in the principal amount of Five Million Eight Hundred Thousand Dollars (\$5,800,000) (the “**Series 2019A Bonds**”) and the Series 2019B Bonds in the principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000) (the “**Series 2019B Bonds**”), the proceeds of which Bonds are being loaned by the Issuer to the Institution in accordance with the terms hereof in order to finance or refinance a portion of the costs of (i) the construction of an approximately 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (collectively, the “**Facilities**”), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (collectively, the “**Equipment**”), and (iii) the refinancing of outstanding indebtedness of the Institution, the proceeds of which were used to finance a portion of the costs of the foregoing capital improvements, all of the Facilities of which are to be located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, New York 12946 (collectively, the “**Project**”), and to finance the costs of issuance of the Bonds and certain related costs and expenses of the Project. The issuance of the Bonds shall evidence the Issuer’s obligation to repay such aggregate principal amount, and the Issuer has agreed to issue, execute and deliver the Bonds, on the terms and conditions of this Bond Purchase and Loan Agreement. The execution and delivery of this Bond Purchase and Loan Agreement shall evidence the loan to the Institution from the Issuer in

the amount of \$7,100,000 and the terms pursuant to which the Institution is obligated to repay such loan.

The Bonds issued hereunder are special obligations of the Issuer payable solely from and secured by the payments to be made by the Institution pursuant hereto.

This Agreement, together with the Resolution, provides for the following transactions:

- (a) the Issuer's issuance of the Bonds and the sale of the Bonds to the Bondholder;
- (b) the Issuer's loan of the Bond Proceeds to the Institution for the purpose of financing and refinancing the Project;
- (c) the Institution's repayment of the loan of Bond Proceeds from the Issuer through payment to the Bondholder of all amounts necessary to pay the Bonds;
- (d) the Issuer's assignment to the Bondholder of the Issuer's rights under this Bond Purchase and Loan Agreement (with the exception of certain reserved rights), including the Revenues to be received and the rights to receive the same and to enforce the Issuer's rights under said Bond Purchase and Loan Agreement against the Institution (including, without limitation, the negative pledge); and
- (e) the Issuer's assignment to the Bondholder of the Negative Pledge Agreement to be granted to the Issuer in connection with the Institution's obligations under this Bond Purchase and Loan Agreement.

Accordingly, the parties agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definition of Terms.

As used herein, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“Act” means Section 1411 of the Not-for-Profit Corporation Law of the State, as amended from time to time.

“Act of Bankruptcy” means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Institution or the Issuer under any applicable bankruptcy, reorganization, insolvency or similar law as is now or hereafter in effect.

“Applicable Elected Representative” means any Person constituting an “applicable elected representative” within the meaning given to the term in Section 147(f)(2)(E) of the Code.

“Applicable Fixed Rate” means either the Series 2019A Fixed Rate or the Series 2019B Fixed Rate.

“Assignment Agreement” means one or more instruments executed by the Issuer, dated as of March 29, 2019, assigning the Mortgage, the Negative Pledge Agreement and this Bond Purchase and Loan Agreement to the Bondholder, subject to certain retained rights of the Issuer, as amended or supplemented from time to time.

“Authorized Officer” means the Person or Persons at the time designated to act on behalf of the Issuer, the Bondholder or the Institution, as the case may be, by written certificate furnished to the Issuer, the Institution, and the Bondholder containing the specimen signature of each such Person and signed on behalf of (A) the Issuer by its Chief Executive Officer, Chairman or Vice Chairman, or such other person as may be authorized by resolution of the directors of the Issuer to act on behalf of the Issuer, (B) the Bondholder by a Senior Vice President, Vice President or an Assistant Vice President, or such other person as may be authorized by the board of directors of the Bondholder to act on behalf of the Bondholder, and (C) the Institution by its Executive Director, Chairman of the Board of Trustees or such other person as may be authorized by the board of trustees of the Institution to act on behalf of the Institution.

“Bank” means Boston Private Bank & Trust Company, a Massachusetts chartered bank.

“Bond” or “Bonds” means the Issuer’s North Country School Revenue Bonds, Series 2019 in the aggregate principal amount of \$7,100,000 (consisting of the Series 2019A Bonds in the principal amount of Five Million Eight Hundred Thousand Dollars (\$5,800,000) and the Series 2019B Bonds in the principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000)), authorized and issued pursuant to the Resolution and this Bond Purchase and Loan Agreement to finance certain Costs of the Project and which Bonds are in substantially the form of Exhibit A attached to this Bond Purchase and Loan Agreement.

“Bond Counsel” means the law firm of Squire Patton Boggs (US) LLP, or an attorney or other law firm appointed by the Issuer, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

“Bond Documents” means, collectively, the Bonds, this Bond Purchase and Loan Agreement, the Continuing Covenants Agreement, the Mortgage, the Security Agreement, the Pledge Agreement, the Control Agreement, the Negative Pledge Agreement, the Hazardous Materials Indemnity Agreement, the Commitment and the Tax Certificate.

“Bondholder”, “Holder”, “holder” or “Owner” means Boston Private Bank & Trust Company, a Massachusetts chartered bank, and its successors and assigns permitted hereunder.

“Bond Purchase and Loan Agreement” means this Bond Purchase and Loan Agreement, dated as of March 1, 2019, among the Issuer, the Institution and the Bondholder, as the same may be amended, supplemented or otherwise modified, as permitted by this Bond Purchase and Loan Agreement and by the Resolution.

“Bond Proceeds” means the aggregate amount, including any accrued interest, paid to the Issuer by the Bondholder pursuant to this Bond Purchase and Loan Agreement as the purchase price of the Bonds.

“Bond Rate” means with respect to any Bond, the applicable rate of interest on such Bond, as set forth in such Bond.

“Bond Registrar” means the Issuer as bond registrar with respect to the Bonds and its successors and assigns in such capacity.

“Bond Year” means a period of twelve (12) consecutive months beginning May 1 in any calendar year and ending on April 30 of the succeeding calendar year.

“Business Day” means any day which is not a Saturday, a Sunday or a day on which the Bondholder or banking institutions chartered by The Commonwealth of Massachusetts or the United States of America are legally authorized to close.

“Closing Date” means the date of sale, issuance and delivery of the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Commitment” means the Commitment Letter, dated February 19, 2019, from the Bank to the Institution.

“Construction Fund” means the fund so designated and held by the Bondholder pursuant to Section 4.01 of this Bond Purchase and Loan Agreement.

“Continuing Covenants Agreement” means that certain Continuing Covenants Agreement dated as of March 29, 2019, between the Institution and the Bank.

“Contract Documents” means any contract or agreement for the acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing or equipping of the Project, notice to bidders, information for bidders, form of bid, general conditions, supplemental general conditions, general requirements, supplemental general requirements, payment or performance bonds, plans and specifications, addenda, change orders, and any other documents entered into or prepared by or on behalf of the Institution relating to the construction of the Project, and any amendments to the foregoing.

“Control Agreement” means the Control Agreement, dated as of March 29, 2019, among the Institution, the Bank and the holder of the Investment Account named therein.

“Cost of Issuance” or “Costs of Issuance” means the items of expense incurred in connection with the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, legal fees and charges, charges and fees required by the laws and regulations of the State, professional consultants’ fees, fees and charges for execution, transportation and safekeeping of Bonds, commitment fees or similar charges relating to costs and expenses in connection with the

refunding of Bonds or other bonds or notes of the Issuer and other costs, charges and fees, including those of the Issuer, in connection with the foregoing.

“Cost of the Project” or “Costs of the Project” means the costs and expenses determined by the Institution, subject to the provisions of this Bond Purchase and Loan Agreement, to be necessarily or appropriately incurred in connection with the Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of the Project, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of the Project, which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, environmental inspections and assessments, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction of the Project, (v) costs and expenses required for the acquisition and installation of equipment or machinery, (vi) all other costs which the Institution shall be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of the Project, (vii) any sums required to reimburse the Institution, the Bondholder or the Issuer for advances made by them for any of the above items or for other costs incurred and for work done by them in connection with the Project (including interest on money borrowed from parties other than the Institution), (viii) interest on the Bonds, bonds, notes or other obligations of the Issuer issued to finance Costs of the Project that accrued prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of the Project, and (ix) fees, expenses and liabilities of the Issuer incurred in connection with the Project.

“Debt Service Payment” means, with respect to any Debt Service Payment Date, (i) the interest payable on such Debt Service Payment Date on the Bonds then Outstanding, plus (ii) the principal payable on such Debt Service Payment Date on such Bonds.

“Debt Service Payment Date” means the first day of each month of each calendar year, commencing on May 1, 2019.

“Default Interest Rate” means, the Bond Rate then payable on the Bonds plus 5%; provided, however, that such interest rate shall in no event exceed the maximum interest rate which the Institution may by law pay.

“Determination of Taxability” means any one of the events hereinafter described:

(i) The issuance by the Internal Revenue Service of a statutory notice of deficiency which asserts that the interest payable on the Series 2019A Bonds or the Series 2019B Bonds is includable in the gross income of the Bondholder for federal income tax purposes; provided, however, that no Determination of Taxability shall be deemed to occur under this clause (i), if the Institution contests such determination by the Internal Revenue Service within 90 days after notice thereof, at the Institution’s sole cost and expense, until a final determination by any court of competent jurisdiction or a final

determination by the Internal Revenue Service, in either case, to which the Institution shall consent or from which no timely appeal shall be taken. Notwithstanding the foregoing, upon demand from the Bondholder, the Institution shall immediately reimburse the Bondholder for any payments the Bondholder shall be obligated to make to the Internal Revenue Service during any such contest.

(ii) The issuance to the Bondholder of an opinion of Bond Counsel to the effect that interest income on the Bonds does not qualify as interest exempt from federal income tax, or upon request of the Bondholder, Bond Counsel is unable or unwilling to render its opinion that interest on such Bonds is exempt from federal income tax, due to the occurrence, after the initial issuance of the Bonds, of (A) an amendment to the Code, or (B) an amendment to the Act or other State law; or (C) any other event caused by, or act or omission of, the Issuer or the Institution, including, but not limited to, a breach or violation by the Issuer or the Institution of any covenant contained in any of the documents, agreements, certificates or instruments executed and delivered by or on behalf of the Issuer or the Institution in connection with the issuance, sale and delivery of the Series 2019A Bonds or the Series 2019B Bonds and the financing of the Project.

“Event of Default” means any of those events defined as an Event of Default by Section 8.01 hereof. Upon the occurrence of any Event of Default that has not been waived, interest shall accrue at a rate equal to the Default Interest Rate.

“Exempt Obligation” means:

(i) an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision, the interest on which is excludable from gross income under Section 103 of the Code, which is not a “specified private activity bond” within the meaning of Section 57(a)(5) of the Code and which, at the time an investment therein is made or such obligation is deposited in any fund or account hereunder, is rated, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation, no lower than the second highest rating category for such obligation by at least two nationally recognized rating organization;

(ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and

(iii) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations.

“Exempt Organization” means an organization described in Section 501(c)(3) of the Code and which is exempt from Federal income taxation pursuant to Section 501(a) of the Code.

“Federal Agency Obligation” means:

- (i) an obligation issued by any federal agency or instrumentality approved by the Issuer;
- (ii) an obligation, the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency approved by the Issuer and the Bondholder;
- (iii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, any of the foregoing; and
- (iv) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations.

“Fiscal Year” means a twelve month period beginning September 1st of a calendar year and ending on August 31st of the next subsequent calendar year].

“GAAP” means then effective generally accepted accounting principles in the United States of America.

“Government Obligation” means:

- (i) a direct obligation of the United States of America;
- (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by the United States of America;
- (iii) an obligation to which the full faith and credit of the United States of America are pledged;
- (iv) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, any of the foregoing; and
- (v) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations.

“Governmental Issuer” means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Governmental Requirements” means any present and material future laws, rules, orders, ordinances, regulations, statutes, requirements and executive orders applicable to the Institution

or the Project of the United States, the State and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them, now existing or hereafter created, and having jurisdiction over the Project or any material part thereof.

“Hazardous Materials Indemnity Agreement” means the Hazardous Materials Indemnity Agreement, dated as of March 29, 2019, by and among the Institution, the Bank and the Issuer.

“Independent School” means an education corporation organized and existing under the laws of the State providing independent primary and/or secondary educational instruction and ancillary programs related to the exempt business of the Institution, including but not limited to the operation of a summer camp.

“Institution” means North Country School., a New York education corporation and an Independent School.

“Insurance Consultant” means a person or firm selected by the Institution which is qualified to survey risks and to recommend insurance coverage for the Institution and organizations engaged in like operations.

“Interest Rate Adjustment” means if, prior to the first anniversary of the Closing Date, the balance in the Investment Account is at least \$11,000,000 (the “Minimum Balance”), each of the Series 2019A Fixed Rate and the Series 2019B Fixed Rate shall be reduced by 11 basis points, effective as of the date on which the Minimum Balance is achieved, provided that such reduced interest rate shall be in effect only for so long as the Institution maintains the Minimum Balance in the Investment Account

“Investment Account” has the meaning assigned in the Pledge Agreement.

“Investment Agreement” means a repurchase agreement or other agreement for the investment of money with a Qualified Financial Institution.

“Issuer” means (A) the Essex County Capital Resource Corporation and its successors and assigns, and (B) any local development corporation or other corporation resulting from or surviving any consolidation or merger to which Essex County Capital Resource Corporation or its successors or assigns may be a party.

“Issuer Fee” means the fee payable to the Issuer in consideration for the Issuer’s internal costs and overhead expenses attributable to the issuance of the Bonds as more particularly described in Schedule B attached hereto and made a part hereof.

“Lien” means any mortgage, pledge, lien, charge or security interest in the nature thereof (including any conditional sales agreement, equipment trust agreement, or other title retention agreement) or other encumbrance of whatsoever nature.

“Mortgage” means the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, from the Institution to the Issuer and assigned to the Bondholder.

“Mortgaged Property” means the Property (as defined in the Mortgage).

“Mortgage Recordation Event” has the meaning assigned to it in the Continuing Covenants Agreement.

“Negative Pledge Agreement” means that agreement executed and delivered by the Institution in favor of the Issuer in the form attached hereto as Exhibit E.

“Net Proceeds” means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses and costs (including attorneys’ fees) incurred in obtaining such gross proceeds.

“Outstanding”, when used in reference to Bonds, means, as of a particular date, all Bonds executed and delivered hereunder except:

- (i) any Bond canceled by the Bondholder at or before such date; and
- (ii) any Bond in lieu of or in substitution for which another Bond shall have been executed and delivered pursuant to Section 3.05 or Section 3.06 hereof.

“Patriot Act” means the USA Patriot Act (Title III of Public Law 107-56) signed into law on October 26, 2001.

“Permitted Collateral” means:

(i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligation;

(ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligation;

(iii) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) is rated in the highest short term rating category by at least one nationally recognized rating organization and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one nationally recognized rating organization no lower than in the second highest rating category;

(iv) financial guaranty agreements, surety or other similar bonds or other instruments of an insurance company that has an equity capital of at least \$125,000,000 and is rated by Bests Insurance Guide or a nationally recognized rating organization in the highest rating category; and

(v) bankers’ acceptances issued by a bank rated, at the time an investment therein is made or the same is deposited in any fund or account hereunder, in the highest short term rating category by at least one nationally recognized rating organization and having maturities of not longer than three hundred sixty five (365) days from the date they are pledged.

“Permitted Investments” means any of the following:

- (i) Government Obligations;

- (ii) Federal Agency Obligations;
- (iii) Exempt Obligations;
- (iv) uncollateralized certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State;
- (v) collateralized certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than \$125,000,000, whose unsecured senior debt, or debt obligations fully secured by a letter of credit, contract, agreement or surety bond issued by it, are rated by at least one nationally recognized rating organization in at least the second highest rating category, and (b) fully collateralized by Permitted Collateral;
- (vi) commercial paper issued by a domestic corporation rated in the highest short term rating category by at least one nationally recognized rating organization and having maturities of not longer than two hundred seventy (270) days from the date of purchase;
- (vii) bankers' acceptances issued by a bank rated in the highest short term rating category by at least one nationally recognized rating organization and having maturities of not longer than three hundred sixty five (365) days from the date they are purchased;
- (viii) Investment Agreements that are fully collateralized by Permitted Collateral;
- (ix) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, whose objective is to maintain a constant share value of \$1.00 per share and that is rated in the highest short term rating category by at least one nationally recognized rating organization;
- (x) money market funds rated no lower than the second highest rating category for such funds by at least one nationally recognized rating organization;
- (xi) with respect to any amounts in the Construction Fund, certificates of deposit, notes, acceptances, repurchase agreements and interest bearing accounts of the Bank or any affiliate thereof or any other bank organized in the United States and having assets of at least \$100,000,000; and
- (xii) any other investment acceptable to the Bondholder.

“Permitted Liens” has the meaning assigned in the Continuing Covenants Agreement.

“Plans and Specifications” means the plans and specifications for the construction, renovation, improvement and equipping of the Project, prepared for the Institution, as revised from time to time in accordance herewith.

“Pledge Agreement” means the Pledge Agreement (Account), dated as of March 29, 2019, from the Institution to the Bank.

“Project” shall have the meaning ascribed thereto on the Recitals above and includes the buildings, improvements, fixtures, furnishings and equipment more particularly described in Schedule C hereto.

“Project Completion” means the Bondholder has received evidence satisfactory to it of compliance with the following conditions precedent: (i) the construction of the Project shall have been, in the reasonable opinion of the Bondholder, substantially completed (exclusive of punch list items, if any) in accordance with the Plans and Specifications; (ii) the Project shall contain all fixtures and equipment required for the use and operation of the Project or which may be required by any material applicable rules and regulations of any Governmental Issuer; (iii) final lien waivers from general contractor, all major subcontractors and any mechanic’s lien holders; (iv) if applicable, a permanent certificate of occupancy (or a temporary certificate of occupancy, so long as the cost to complete any work required to obtain a permanent certificate of occupancy does not exceed \$100,000 and the Institution is permitted to operate the Project as an Independent School under the temporary certificate of occupancy) and all other certificates, licenses, consents and approvals required for the use, ownership, maintenance and operation of the Project following completion of the construction, renovation and improvement shall have been issued by or obtained from the appropriate Governmental Authorities, and (iv) all costs and expenses incurred in connection with the construction of the Project shall have been paid in full.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, tangible or intangible.

“Qualified Financial Institution” means any of the following entities that has an equity capital of at least \$125,000,000 or whose obligations are unconditionally guaranteed by an affiliate or parent having an equity capital of at least \$125,000,000:

(i) a securities dealer, the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation, and (a) that is on the Federal Reserve Bank of New York list of primary government securities dealers and (b) whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized rating organization no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized rating organization no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any nationally recognized rating organization;

(ii) a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank,

a savings and loan association, an insurance company or association chartered or organized under the laws of the United States of America, any state of the United States of America or any foreign nation, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized rating organization no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized rating organization no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any nationally recognized rating organization;

(iii) a corporation affiliated with or which is a subsidiary of any entity described in (i) or (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized rating organization no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized rating organization no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any nationally recognized rating organization;

(iv) the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Issuer; or

(v) a corporation whose obligations, including any investments of any money held hereunder purchased from such corporation, are insured by an insurer that meets the applicable rating requirements set forth above.

“Qualified Institutional Buyer” shall have the meaning set forth in Rule 144A of the Securities Act of 1933, as amended.

“Rebate Amount” means, with respect to the Bond, the amount computed as described in Section IV of the Tax Certificate.

“Rebate Calculation Date” means May 1 of 2024, 2029, 2034 and the final maturity date (or the date of redemption in full) of the Bonds.

“Record Date” means, with respect to any Debt Service Payment Date, the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date.

“Related Documents” means, collectively, the Loan Agreement, dated as of March 29, 2019, between the Institution and the Bank, and the Demand Revolving Line of Credit, dated March 29, 2019, from the Institution to the Bank.

“Resolution” means the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019, authorizing the issuance, execution, sale and

delivery of the Bonds and the execution and delivery of this Bond Purchase and Loan Agreement and the other financing documents authorized by such Resolution), as such resolution may be amended or supplemented from time to time.

“Restricted Gift” means, when used in connection with the Project, any gift, grant or bequest of money or other property made or given by any person the use of which has been restricted by such person to paying any cost or expense that constitutes a Cost of the Project.

“Revenues” means all Debt Service Payments payable to the Issuer under this Bond Purchase and Loan Agreement.

“Security Agreement” means the Security Agreement (All Assets), dated as of March 29, 2019, between the Institution and the Bank.

“Series 2019A Fixed Rate” means, 4.08% per annum, which rate shall be subject to the Interest Rate Adjustment and adjustment pursuant to Section 3.03(b) hereof and the Form of Bonds attached hereto as Exhibit A.

“Series 2019B Fixed Rate” means 3.68% per annum, which rate shall be subject to the Interest Rate Adjustment and adjustment pursuant to Section 3.03(b) hereof and the Form of Bonds attached hereto as Exhibit A.

“Series 2019A Maturity Date” means March 29, 2034.

“Series 2019B Maturity Date” means March 29, 2026.

“State” means the State of New York.

“Taxable Rate” means a per annum rate equal to the rate of interest otherwise applicable on the Bonds in the absence of a Determination of Taxability (but without giving effect to any adjustment to the interest rate pursuant to Section 3.03(b)(i) or (ii) hereof) divided by 0.79.

“Tax Certificate” means a certificate executed by an Authorized Officer of the Issuer and the Institution, including the appendices, schedules and exhibits thereto, executed in connection with the issuance of the Bonds in which the Issuer and the Institution make representations and agreements as to arbitrage compliance with the provisions of Section 141 through 150, inclusive, of the Code, or any similar certificate, agreement or other instrument made, executed and delivered in lieu of said certificate, in each case as the same may be amended or supplemented from time to time in accordance with the terms thereof and with the terms of this Bond Purchase and Loan Agreement.

“Yield Maintenance Fee” means the amount equal to the sum of (A) all costs, fees and expenses incurred by the Bondholder due to the prepayment, plus (B) the greater of zero (0) and the present value of the difference between (1) the amount that would have been realized by the Bondholder on the prepaid amount for the remaining fixed-rate term of the Series 2019A Bonds at the stated interest rate and (2) the amount that would be realized by the Bondholder by reinvesting such prepaid funds for the remaining fixed-rate term of the Series 2019A Bonds, interpolated to the

nearest month, at a replacement fixed rate equivalent to the interest rate index plus spread used to determine the interest rate of the Series 2019A Bonds.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Bond Purchase and Loan Agreement refer to this Bond Purchase and Loan Agreement.

Section 1.02 Parties to Benefit.

This Bond Purchase and Loan Agreement is executed in connection with the issuance of the Bonds by the Issuer. Except as otherwise expressly provided herein, nothing herein, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Issuer, the Institution and the Bondholder, any right, remedy or claim, legal or equitable, hereunder or by reason hereof or of any provision hereof, all the provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Institution and the Bondholder.

ARTICLE II

CLOSING OF LOAN; PURCHASE AND SALE OF BONDS; PLEDGE OF REVENUES

Section 2.01 Closing Date.

The Bondholder agrees, subject to the terms and conditions of this Bond Purchase and Loan Agreement, to purchase the Bonds from the Issuer on the Closing Date, in the amount of \$7,100,000 in immediately available funds, and the Institution agrees, that subject to the terms and conditions of this Bond Purchase and Loan Agreement, it is borrowing the proceeds of the sale of the Bonds and will repay such loan in accordance with the terms of this Bond Purchase and Loan Agreement.

Upon issuance of the Bonds, the Issuer hereby agrees to lend to the Institution and the Institution hereby agrees to borrow from the Issuer, \$7,100,000 all of which shall constitute a building loan (the “Building Loan”) made for the purpose of paying or reimbursing the Institution for the costs and expenses incurred or to be incurred for any of the items more particularly identified on the affidavit attached hereto as **Schedule I**. All of such costs and expenses constitute Costs of the Project.

It is the express intention of the parties hereto that all disbursements of the Building Loan which is being made by the Issuer, as a “lender” for purposes of the New York Lien Law, in consideration of the express promise of the Institution, as an “owner” of the Mortgaged Property for purposes of the New York Lien Law, to construct, renovate, improve and equip the Project located on the Mortgaged Property. The Institution agrees to request and accept, and the Issuer agrees to make, disbursements of the Building Loan as hereinafter provided and subject to the

terms and conditions hereof. No proceeds of the Building Loan shall be applied to constructing, improving, equipping or furnishing any property other than the property subject to the Negative Pledge Agreement and the Mortgaged Property.

Section 2.02 Conditions Precedent to Closing.

(a) The Issuer's obligation to deliver the Bonds, accept payment therefor and loan the proceeds thereof to the Institution is conditioned upon the purchase of the Bonds by the Bondholder in accordance herewith on the Closing Date and upon delivery to the Issuer of the approving opinion of Bond Counsel and is subject to the further condition that all documents, certificates, opinions and other items delivered on the Closing Date shall be reasonably satisfactory in form and substance to the Bondholder, to the Bondholder's counsel, to the Issuer and to Bond Counsel.

(b) The obligation of the Bondholder to purchase the Bonds shall be subject to the satisfaction of the following conditions precedent and receipt of the documents, certificates and other items set forth below, in form and substance satisfactory to the Bondholder and its counsel:

(i) The executed original Bonds in the form set forth in Exhibit A hereto.

(ii) Certificates or other evidence as to (1) the due organization and existence of the Issuer and the legal existence of the Institution; (2) the due authorization, execution and delivery of this Bond Purchase and Loan Agreement, the Tax Certificate and the other Bond Documents by the Issuer and the Institution, as applicable; (3) the discharge and release of all Liens on the Project (except for Permitted Liens); (4) the absence of litigation involving the Issuer, the Institution or the Bondholder that might reasonably be expected to materially affect the transactions contemplated hereby; (5) the existence of all required consents to this Bond Purchase and Loan Agreement and the absence of any Event of Default or any event which, with the giving of notice or the passage of time or both, would be an Event of Default with respect hereto; (6) the truth and accuracy of all representations and warranties contained in this Bond Purchase and Loan Agreement, the Tax Certificate and the other Bond Documents; (7) the payment of all reasonable fees and expenses of the Issuer, the Bondholder, counsel to the Bondholder, and Bond Counsel; (8) the conformance in all material respects of the renovation, equipping, use and operation of the Project to all applicable zoning, planning, building and environmental and other laws and regulations of governmental authorities having jurisdiction over the Project; and (9) the receipt of all necessary governmental permits, licenses and other authorizations relating to the renovation, equipping, use and operation of the Project.

(iii) Delivery of a certified copy of the Resolution; proof of due corporate action by the Issuer and the Institution; and executed duplicate originals of this Bond Purchase and Loan Agreement, the Tax Certificate and the other Bond Documents.

(iv) A completed Internal Revenue Service Form 8038 executed by the Issuer.

(v) Evidence that the issuance of the Bonds for the purpose of financing the Project has been approved by the Applicable Elected Representative after a public hearing held upon reasonable notice.

(vi) An opinion of counsel to the Issuer in a form acceptable to Bond Counsel and the Bondholder.

(vii) An opinion of counsel to the Institution in a form acceptable to Bond Counsel and the Bondholder.

(viii) An opinion of Bond Counsel as to the due existence and authority of the Issuer, the valid issuance of the Bonds, and the excludability from gross income of the interest payable on the Bonds.

(ix) Such additional certificates, instruments or other documents as the Issuer, the Bondholder or Bond Counsel may reasonably require, including the Mortgage, the Negative Pledge Agreement and the Assignments.

(x) The Bondholder shall have:

(A) received, reviewed and approved reasonably satisfactory insurance for the Project, including builder's risk insurance and casualty and liability insurance, together with an endorsement naming the Bondholder as an additional insured and/or as loss payee, and certificates or policies evidencing any other insurance required to be obtained by the Institution pursuant to Section 7.10 of this Bond Purchase and Loan Agreement; and

(B) received, reviewed and approved UCC, judgment, tax liens, last owner/title and litigation searches against the Institution and/or Property.

(xi) The Institution shall have established deposit and payment accounts with respect to the Project with the Bondholder.

Section 2.03 [Intentionally Omitted].

Section 2.04 Assignment and Pledge of Revenues.

The Issuer hereby assigns, pledges and grants to the Bondholder upon the terms hereof and upon the terms of the Assignment Agreement (a) all Revenues to be received from the Institution, (b) all rights to receive and collect such Revenues and the proceeds of such rights, (c) the Mortgage, and (d) the Negative Pledge Agreement.

Section 2.05 Consent to Pledge and Assignment.

The Institution consents to and authorizes the assignment, transfer and pledge by the Issuer to the Bondholder of the Revenues as set forth in Section 2.04 hereof and of the Mortgage as provided in Section 7.18 hereof.

ARTICLE III
TERMS AND PROVISIONS OF THE BONDS

Section 3.01 Terms.

(a) *Maturity.* (1) All outstanding principal and interest on the Series 2019A Bonds shall be due and payable on the Series 2019A Maturity Date. (2) All outstanding principal and interest on the Series 2019B Bonds shall be due and payable on the Series 2019B Maturity Date.

(b) *Principal and Interest.* Interest only on the Series 2019A Bonds shall be payable commencing on May 1, 2019 and on each Debt Service Payment Date thereafter through and including April 1, 2020. Thereafter, level monthly payments of principal and interest on the Series 2019A Bonds shall be payable in installments commencing on May 1, 2020 and each Debt Service Payment Date thereafter based on a 30-year amortization period, in accordance with the Form of Bonds set forth in Exhibit A hereto. The Series 2019A Bonds shall bear interest at the Series 2019A Fixed Rate, Taxable Rate or the Default Interest Rate, as applicable, until the later of the Series 2019A Maturity Date or the payment of all outstanding principal and interest due thereon in full.

Interest only on the Series 2019B Bonds shall be payable commencing on May 1, 2019 and on each Debt Service Payment Date thereafter, in accordance with the Form of Bonds set forth in Exhibit A hereto. The Series 2019B Bonds shall bear interest at the Series 2019B Fixed Rate, the Taxable Rate or the Default Interest Rate, as applicable, until the later of the Series 2019B Maturity Date or the payment of all outstanding principal and interest due thereon in full.

Interest shall be calculated on the basis of a 360-day year based on the actual number of days elapsed. Interest shall be payable at the office of the Bondholder at 10 Post Office Square, Boston, Massachusetts or at such other address as Bondholder may designate in writing to the Institution and the Issuer.

(c) *Notice.* Attached hereto as Exhibit C is the Repayment Schedule for the Series 2019A Bonds and the Series 2019B Bonds. The Bondholder will endeavor to send a notice to the Institution stating the amount of the Debt Service Payment due on the next succeeding Debt Service Payment Date at least five (5) Business Days prior to such Debt Service Payment Date; provided that the failure to furnish such notice shall not excuse non-payment of the amounts payable hereunder at the time and in the manner provided hereby.

Section 3.02 Late Payment and Involuntary Rate.

(a) If any payment is not made to the Bondholder within five (5) days after the date which it is due and such failure is not due to any action or omission by Bondholder regarding an auto-debit account with Bondholder, the Institution, shall pay to the Bondholder, upon demand, an amount equal to five percent (5%) of such unpaid payment.

(b) Upon the occurrence of an Event of Default, as defined in Section 8.01 hereof, that has not been waived, the principal and accrued interest on the Bonds may be declared to be forthwith due and payable by the Bondholder in accordance with Section 8.02 hereof, and interest shall accrue on the Bonds and on any other amount due to the Bondholder hereunder at the Default Interest Rate.

Section 3.03 Regulatory Changes.

(a) Increased Costs; Capital Adequacy.

(i) If the adoption, effectiveness or phase-in, after the date hereof, of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bondholder with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(A) shall subject such Bondholder to any imposition or other charge with respect to any amounts due under this Bond Purchase and Loan Agreement or the Bonds (except for changes in the rate of tax on the overall net income of such Bondholder); or

(B) shall impose, modify or deem applicable any reserve, special deposit, deposit insurance or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System) against assets of, deposits with or for the account of, or credit extended by, such Bondholder or shall impose on such Bondholder any other condition affecting payments under this Bond Purchase and Loan Agreement or the Bonds or such Bondholder's rights to receive such payment,

and the result of any of the foregoing is to increase the cost to such Bondholder of making or maintaining the investment evidenced by the Bonds or to reduce the amount of any sum received or receivable by such Bondholder under this Bond Purchase and Loan Agreement or under the Bonds by an amount reasonably deemed by such Bondholder to be material, then, upon demand by such Bondholder and receipt by the Institution of a certificate (each, together with any certificate delivered pursuant to subsection (ii) below, a "Demand Certificate") from such Bondholder setting forth the facts or circumstances giving rise to such claim for compensation and its calculation of the amount owed, the

Institution shall forthwith pay, as an additional fee hereunder, to such Bondholder such additional amount or amounts as will compensate such Bondholder for such increased costs or reduction in receipts.

(ii) If any change in, or the introduction, adoption, effectiveness, interpretation, reinterpretation or phase-in of, any law or regulation, directive, guideline, decision or request (whether or not having the force of law) of any court, central bank, regulator or other governmental authority (each, together with the matters described in subparagraph (i) above, a “Regulatory Change”) affects or would affect the amount of capital or amount of liquidity or liquidity ratio required or expected to be maintained by a Bondholder, or any entity controlling such Bondholder (taking into account such Bondholder’s policies with respect to capital adequacy and liquidity immediately before such change, introduction, adoption, effectiveness, interpretation, reinterpretation or phase-in and assuming that such Bondholder’s capital was then fully utilized) and such Bondholder determines (in its reasonable discretion) that the rate of return on its or such controlling entity’s capital as a consequence of such Bondholder’s ownership of any Bond is reduced to a level below that which such Bondholder or such controlling entity could have achieved but for the occurrence of any such circumstance, then, in any such case, upon receipt by the Institution of a Demand Certificate, the Institution shall immediately pay, as an additional fee hereunder, directly to such Bondholder such additional amounts as are sufficient to compensate such Bondholder or such controlling entity for such reduction in rate of return.

(iii) Notwithstanding the foregoing, for purposes of this Bond Purchase and Loan Agreement, (i) all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act, shall be deemed to be a Regulatory Change, regardless of the date enacted, adopted or issued, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), or by any governmental authority in connection with any of the foregoing shall be deemed a Regulatory Change regardless of the date enacted, adopted or issued. A statement of the Bondholder as to any additional amount or amounts to be paid pursuant to subparagraph (i) or subparagraph (ii) above (including calculations thereof in reasonable detail) shall be *prima facie* evidence in the absence of manifest error. In determining such amount, the Bondholder may use any reasonable method of averaging and attribution that it (in its reasonable discretion) shall deem applicable.

(iv) No failure on the part of the Bondholder to demand compensation under subparagraph (i) or subparagraph (ii) above on any one occasion shall constitute a waiver of its right to demand such compensation on any other occasion, and no failure on the part of the Bondholder to deliver any certificate in a timely manner shall in any way reduce any obligation of the Institution to the Bondholder under such paragraphs. If the Bondholder has granted a participation in any portion of the Bonds, the Institution’s obligations to such participant under such subparagraphs will be computed as if such participation had not taken place, with the Bondholder to be responsible for payments to the participants in accordance with the relevant participation agreements.

(v) Notwithstanding the foregoing, the “Regulatory Changes” to which this Section 3.03(a) applies will not be deemed to include any change the result of which is a Determination of Taxability, as described in Section 3.03(b).

(b) Corporate Tax Rate Changes; Determination of Taxability.

(i) If at any time there shall occur any decrease in the highest marginal tax rate imposed on corporations for federal income tax purposes (whether or not the Bondholder is actually taxed at said highest marginal tax rate), then effective upon the date of such decrease, the Bond Rate on each Bond shall be increased by an amount which, after giving effect to all taxes, is equal to the amount necessary for the Bondholder to maintain a constant tax equivalent yield on the Bonds as a consequence of such change (computed on the assumption that taxes are payable by the Bondholder at the highest marginal statutory rate of tax imposed on corporations), it being the intent and purpose of the parties hereto that the profit of the Bondholder with respect to the payment of interest to it on the Bonds shall not be diminished by any such event. Notwithstanding the foregoing, in no event shall the increase in the Bond Rate required by this provision result in a payment to the Bondholder in excess of the amount of the payments that would result from an imposition of the Taxable Rate.

(ii) If there shall occur any increase in the highest marginal tax rate imposed on corporations for federal income tax purposes (whether or not the Bondholder is actually taxed at said highest marginal tax rate), then effective upon the date of such increase, the Bond Rate on each Bond shall be decreased using the same methodology to be applied pursuant to paragraph (a) of this Section in the case of decreases in the highest marginal tax rate imposed on corporations for federal income tax purposes. Notwithstanding the foregoing, in no event shall the decrease in the Bond Rate required by this provision result in a payment to the Bondholder below the amount of the payments that would result from the imposition of a maximum marginal tax rate on corporations of 29%.

(iii) To the extent that a Determination of Taxability shall occur with respect to either the Series 2019A Bonds or the Series 2019B Bonds, the Series 2019A Rate or the Series 2019B Rate, as applicable, shall be increased to the Taxable Rate.

(iv) Within fifteen (15) days after a Determination of Taxability, the Institution shall pay to the Bondholder an amount equal to (x) the difference (plus interest thereon compounded at an annual rate equal to the Taxable Rate) between (A) the total amount of interest on the Bonds which would have been payable to the Bondholder at the Taxable Rate and (B) the total amount of interest actually paid, during all periods prior to the Determination of Taxability for which federal income tax is collectible with respect to interest on the Bonds, plus (y) an amount equal to any interest, penalties or other charges assessed to the Bondholder, if any, due to its failure to include interest on the Bonds in such owner’s gross income prior to the date of a Determination of Taxability.

(v) Notwithstanding the foregoing, if following a Determination of Taxability, it is subsequently determined that the interest payable on the Bonds is

properly excluded from the gross income of the owners thereof for federal income tax purposes, then the calculation of the interest rate on the Bonds shall be determined as if no Determination of Taxability had occurred, provided that the interest rate shall be adjusted in order to compensate the Institution for any increase imposed in the rate of interest on the Bonds from and after the original Determination of Taxability. Such adjustment to the interest rate shall be made such that the Institution shall be fully compensated in not longer than a 12-month period.

Section 3.04 Redemption.

The Bonds shall be subject to redemption prior to the respective maturities thereof on the terms and at the prices set forth in paragraphs a, b, c and d of this Section 3.04.

- a. The Series 2019A Bonds are subject to redemption by the Issuer, at any time at the option and written direction of the Institution at par plus accrued interest to the date of redemption plus a redemption premium in an amount equal to the Yield Maintenance Fee; provided however, that such redemption premium shall not be payable if the redemption payment is made from capital campaign proceeds or other fundraising gifts or receipts designated for the Project by the donor or the Institution.
- b. The Series 2019B Bonds are subject to redemption by the Issuer, at the option and written direction of the Institution, in whole or in part, at any time at par plus accrued interest to the date of redemption.
- c. The Bonds are subject to mandatory redemption, without premium or penalty, in whole or in part, on any Debt Service Payment Date from (i) the unused balance of the Construction Fund after completion of the Project in accordance with Section 6.02(b) hereof or (ii) from proceeds of a condemnation or insurance award, which proceeds are not used to repair, restore or replace the Project, in each case, at a redemption price equal to 100% of the principal amount of the Bonds to be prepaid plus interest accrued thereon to the redemption date and, any amounts payable as set forth in the Bonds.
- d. The Institution may direct such redemption only if it shall prepay the loan in whole or in part from the Issuer under this Bond Purchase and Loan Agreement in an amount equal to the amount of the redemption price described above. The Institution shall give the Bondholder notice of any prepayment of this bond at least thirty (30) days before the prepayment date. Notice of prepayment having been given as required by the immediately preceding sentence and sufficient moneys having been deposited with the Bondholder, interest on the principal to be prepaid shall cease to accrue on the date fixed for prepayment.

Section 3.05 Mutilated, Lost, Stolen or Destroyed Bonds.

(a) In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and deliver a new Bond of like maturity, interest rate and principal amount and bearing the same number as the mutilated, destroyed, lost or stolen Bond, in exchange for the

mutilated Bond or in substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicable holder shall furnish to the Issuer and the Institution (i) such indemnity as may be required by them to hold each of them harmless from all risks, however remote, and (ii) evidence to their satisfaction of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto plus any other expenses, including reasonable counsel fees, of the Issuer or the Institution. In case any Bond that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof, except in the case of a mutilated Bond) if the applicable holder shall furnish to the Issuer such indemnity as the Issuer may require to hold them harmless and evidence to the satisfaction of the Issuer of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof. Any mutilated Bond shall be surrendered to the Issuer and shall be destroyed.

(b) Every Bond issued pursuant to the provisions of this Section 3.05 shall constitute an additional contractual obligation of the Issuer (whether or not the mutilated, destroyed, lost or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Bond Purchase and Loan Agreement equally and proportionately with any and all other Bonds duly issued under this Bond Purchase and Loan Agreement.

(c) The Bonds shall be held and owned upon the express condition that the provisions of this Section 3.05 are exclusive with respect to the replacement or payment of a mutilated, destroyed, lost or stolen Bond, and shall preclude all other rights or remedies, notwithstanding any law or statute existing or hereinafter enacted to the contrary.

Section 3.06 Registration, Reissue or Transfer of Bonds; Assumption of Bond Purchase and Loan Agreement.

(a) So long as any Bond or Bonds remain Outstanding, the Issuer, as Bond Registrar, shall maintain and keep at the Issuer's office (or at the office of any successor Bond Registrar) books for the transfer and registration of the Bonds; and upon presentation thereof for such purpose at such office, the Issuer shall register or cause to be registered therein, and permit to be transferred thereon, only to Qualified Institutional Buyers, any Bond entitled to registration or transfer in accordance with the terms of this Bond Purchase Agreement and such Bond. So long as any Bond or Bonds remain Outstanding, the Issuer shall make all necessary provisions to permit the exchange of Bonds at the office of the Issuer. Each Bond shall be transferable only upon the books of the Issuer, which shall be kept for that purpose at the office of the Issuer (or any successor Bond Registrar) by the registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer in the form attached to the Bonds and duly executed by the registered Owner or his attorney duly authorized in writing. Upon receipt of a written request to transfer any such Bond and upon receipt of an unqualified assumption of all of the terms of this Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the

transferee of the representations and warranties set forth in Section 7.02 hereof, the Issuer shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, maturity and rate of interest as the surrendered Bond.

(b) The Issuer and the Bondholder, or any successor Bond Registrar of the Issuer, may deem and treat the person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for all purposes, and neither the Issuer nor the Bondholder nor any successor Bond Registrar of the Issuer shall be affected by any notice to the contrary. The term “Bond” or “Bonds” shall include a Bond or Bonds issued by the Issuer in exchange for or upon transfer of any Bond under this Section 3.06.

ARTICLE IV BOND PROCEEDS AND ESTABLISHMENT OF FUNDS

Section 4.01 Establishment of Funds.

The following custodial funds are hereby established with the Bondholder and shall be held in trust by the Bondholder, as custodian, and maintained and administered by the Bondholder on behalf of the Issuer for the benefit of the Institution and in the name of the Institution in accordance with this Bond Purchase and Loan Agreement:

Essex County Capital Resource Corporation Construction Fund –North Country School (the “**Construction Fund**”).

Section 4.02 Disbursement and Application of Bond Proceeds; Deposits into Construction Fund.

The Bondholder shall deposit the Bond Proceeds in the following manner:

(a) \$7,100,000 shall be deposited in the Construction Fund and disbursed by the Bondholder: (i) on the date of Closing, to pay the Costs of Issuance of such Bonds and the other costs in connection with the issuance of such Bonds; and then (ii) in accordance with Sections 4.03 and 4.04(a) and (b).

The amounts in the Construction Fund shall be subject to a security interest, lien, set off (to the extent of any amounts owed to the Bondholder in accordance with the terms of this Bond Purchase and Loan Agreement) and charge in favor of the Bondholder until disbursed as provided herein.

Section 4.03 Use of Money in Construction Fund.

(a) Upon receipt of a Requisition Form in the form attached hereto as Exhibit B, executed by the Institution, fully completed and with all supporting documents described therein attached thereto, the Bondholder shall disburse the moneys in the Construction Fund to, or upon the order of, the Institution to pay the Costs of the Project; *provided, however*, notwithstanding any other provision of this Bond Purchase and Loan Agreement to the contrary, monies in the Construction Fund shall not be disbursed to, or upon

the order of, the Institution unless and until the Institution satisfies the requirements set forth in Sections 4.03 and 4.04 hereof and the Continuing Covenants Agreement. Upon receipt of such Requisition Form, an amount equal to the Costs of the Project as shown therein shall be disbursed to, or upon the order of, the Institution to pay to the person or entity entitled to payment as specified therein. Contemporaneously with the submission of a requisition to the Bondholder, a copy of such requisition shall be sent to the Issuer by the Institution. The Bondholder shall disburse the moneys in the Construction Fund to pay the Costs of Issuance on or after the Closing Date upon the receipt of a written direction of the Institution.

(b) Except for money disbursed to reimburse the Institution for amounts theretofore paid by the Institution, the Institution will receive the money disbursed from the Construction Fund, and will hold the right to receive the same, as a trust fund for the purpose of paying the Costs of the Project or Costs of Issuance, and will apply the same to such payment before using any part thereof for any other purposes.

(c) Upon receipt of written notice and direction from the Institution or a determination by the Bondholder that an Event of Default has occurred that has not been waived or that the Institution has determined that is not possible to complete the Project in accordance with the provisions of Section 6.02(a) hereof, the Bondholder shall liquidate all investments held in the Construction Fund and use the proceeds thereof and all other moneys held in the Construction Fund for the application first to interest accrued on the Bonds, and next to principal of the Bonds in the inverse order of maturity.

(d) In the event that the moneys in the Construction Fund are insufficient to pay all Costs of the Project in accordance with the Plans and Specifications, the Institution agrees to pay, any excess Costs of the Project over the Net Proceeds of the Bonds.

(e) Upon the completion of the Project in accordance with Section 6.02(b) hereof, the amount equal to the entire remaining balance on deposit in the Construction Fund, if any, less an amount equal to the Costs of the Project and the amount disbursed to the Institution to reimburse it for a portion of the cost of the renovation of the Project for which the Bondholder has received a fully and properly completed Requisition Form and which have not been paid, shall be used to redeem Bonds in accordance with Section 3.04(c) hereof.

Section 4.04 Conditions Precedent to Making Disbursements.

(a) The obligations of the Bondholder to make the first disbursement from Bond Proceeds for Costs of the Project shall be subject to receipt by the Bondholder of evidence satisfactory to it of compliance with the terms and conditions of the Continuing Covenants Agreement and the following conditions precedent:

(i) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, a budget for the Project, including hard costs, soft costs and reserves.

(ii) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, the Plans and Specifications.

(iii) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, Contract Documents for the Project.

(iv) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, evidence that Bond Counsel shall have determined that reimbursement of such costs complies with the provisions of the Code.

(b) The obligations of the Bondholder to make the initial disbursement of Bond Proceeds for Costs of the Project and any further disbursements from the Construction Fund for Costs of the Project shall be subject to receipt by the Bondholder of evidence satisfactory to the Bondholder of compliance with the terms and conditions of the Continuing Covenants Agreement and the following conditions precedent:

(i) If not earlier provided, the Bondholder shall have received the items required by Section 4.04(a) hereof; provided, however, that item (a)(iv) shall only be required for the initial disbursement.

(ii) The Bondholder shall have received in form and substance satisfactory to the Bondholder invoice(s) and/or bill(s) of sale relating to the Project and, if such invoices have been paid by the Issuer or the Institution, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Code.

(iii) The representations and warranties of the Institution contained in Article VII hereof and in the Tax Certificate are correct on and as of the date of such disbursement as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

(iv) No event has occurred and is continuing or would result from the disbursement which constitutes an Event of Default.

(v) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, building permits for the phase of the construction of the Project for which funds are to be disbursed, including demolition, alterations, and building.

(vi) The Bondholder shall have received, in form and substance reasonably satisfactory to the Bondholder, lien waivers from contractors which have provided work, labor, services, materials or supplies for the Project.

Section 4.05 Rebate.

(a) Payments of Rebate. No later than thirty (30) days following each Rebate Calculation Date (or any earlier date that may be necessary to make a required payment to the United States under Subsection 4.05(c)), the Institution shall compute and certify to the Issuer and the Bondholder in reasonable detail the amount of the Excess (as defined in Subsection 4.05(b)), if any, as of each such Rebate Calculation Date.

(b) Excess. “Excess” means the sum of:

(i) the aggregate amount earned on all Nonpurpose Investments (other than investments attributable to an excess described in this subparagraph) attributable to the Gross Proceeds of Bonds, including those on deposit in the Construction Fund, over

(ii) the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the yield (determined in accordance with the Rebate Provision) on the Bonds to which such Gross Proceeds are attributable, plus any income attributable to the Excess described in subparagraph (i) above.

The amount of any calculated Excess shall be reduced by any payments made to the United States pursuant to Subsection 4.05(c). The terms “Nonpurpose Investment” and “Gross Proceeds” shall have the meanings given in the Rebate Provision and shall be applied as provided therein.

(c) Payment of Rebate to the United States.

(i) No later than forty-five (45) days following each Rebate Calculation Date (or any earlier date that may be required to comply with the Rebate Provision), the Institution shall cause to be paid to the United States on behalf of the Issuer the full amount of rebate then required to be paid under IRC Section 148(f) (the “Rebate Provision”) as certified by the Institution in accordance with Paragraph 4.05(c)(ii). No later than forty-five (45) days after the Bonds have been paid in full (at maturity or through redemption), the Institution shall cause to be paid to the United States on behalf of the Issuer the full amount of rebate then required to be paid under the Rebate Provision as certified by the Institution in accordance with Paragraph 4.05(c)(ii). Each such payment shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 or any successor location specified by the Internal Revenue Service, accompanied by a Form 8038-T (or other similar information reporting form) prepared by the Institution.

(ii) No later than fifteen (15) days prior to each date on which a payment could become due under Paragraph 4.05(c)(i) (a “Rebate Payment Date”), the Institution shall deliver to the Issuer and the Bondholder a certificate either summarizing the determination that no amount is required to be paid or specifying the amount then required to be paid pursuant to Paragraph 4.05(c)(i). If the certificate specifies an amount to be paid, such certificate shall be accompanied by (w) a rebate report prepared by a rebate consultant, (x) a completed Form 8038-T, which is to be signed by an officer of the Issuer and (y) the amount required to be paid.

(d) Records. The Institution shall keep such records as will enable it to fulfill its responsibilities under this section and the Rebate Provision.

(e) Interpretation of this Section. The purpose of this Section 4.05 is to satisfy the requirements of the Rebate Provision. Accordingly, this section shall be construed so as to meet such requirements. The Institution covenants that all action taken under this section shall be taken in a manner that complies with the Rebate Provision and that it shall

neither take any action nor omit to take any action that would cause the Bonds to be arbitrage bonds by reason of the failure to comply with the Rebate Provision.

(f) Prompt Expenditure of Proceeds: Rebate Alternative. The Institution may exclude from its computation of an Excess required by Subsection 306(a) any Gross Proceeds that are not subject to rebate pursuant to IRC Section 148(f)(4)(B) or (C) or Treas. Reg. § 1.148-7.

(g) Compliance by the Institution. To the extent any payment of rebatable arbitrage is not timely made to the United States, the Institution shall pay to the United States on behalf of the Issuer any interest, penalty, or other amount necessary to prevent the Bonds from becoming arbitrage bonds within the meaning of IRC Section 148. The Institution covenants that to the extent necessary it shall obtain the advice and assistance of experts to aid it in complying with the Rebate Provision.

Section 4.06 Investment of Monies.

(a) Monies held in any fund established pursuant to Section 4.01 hereof shall be invested and reinvested by the Bondholder solely in Permitted Investments, pursuant to written direction by an Authorized Officer of the Institution with a copy to the Issuer, or pursuant to oral direction promptly confirmed in writing by such Authorized Officer of the Institution with a copy to the Issuer. The Institution hereby directs the Bondholder to invest all moneys in the Construction Fund in the fund detailed on Schedule H attached hereto and made a part hereof. The Issuer and the Bondholder hereby agree that the fund detailed on such Schedule H qualifies as a Permitted Investment on the date of issuance of the Bonds. Such investments shall mature in such amounts and have maturity dates or be subject to redemption at the option of the Bondholder on or prior to the date on which the amounts invested therein will be needed for the purposes of such fund. The Bondholder may at any time sell or otherwise reduce to cash a sufficient amount of such investments whenever the cash balance in such fund is insufficient for the purposes thereof. Any such investments shall be held by or under control of the Bondholder for the benefit of the Institution in accordance with Section 4.01 hereof, and shall be deemed at all times a part of the fund for which such monies are invested, and the interest accruing thereon and any profit realized from such investment shall be credited and held in, and any loss shall be charged to, the applicable fund. If Permitted Collateral is required to secure any Permitted Investment, then such Permitted Collateral shall have a market value, determined by the custodian of such collateral, but no less than weekly, at least equal to the amount deposited or invested including interest accrued thereon, and any such Permitted Collateral shall be deposited with and held by a custodian approved by the Bondholder and the Issuer and such Permitted Collateral shall be free and clear of claims of any other person. In calculating the amount in any fund or account held by the Bondholder, each Permitted Investment shall be valued at par or the market value thereof, plus interest, whichever is lower.

(b) The Bondholder may make any investment permitted by this Section 4.06 through its own bond department. The Institution hereby acknowledges that no representation or warranty has been made by the Bondholder or the Issuer with respect to interest rates on, or the amount to be earned as a result of, any such investment. Neither the Issuer nor the

Bondholder shall have any liability arising out of or in connection with the making of any investment authorized by the provisions hereof in the manner provided herein, or for any loss, direct or indirect, resulting from any such investment other than in its capacity as obligor under a Permitted Investment.

(c) Any investment herein authorized is subject to the condition that no use of the proceeds of any Bonds or of any other monies shall be made which, if such use had been reasonably expected on the date of issuance of such Bonds, would cause such Bonds to be "Arbitrage Bonds" within the meaning of such quoted term in Section 148 of the Code. The Bondholder shall not be liable if such use shall cause the Bonds to be "Arbitrage Bonds," provided only that the Bondholder shall have made such investment pursuant to the written direction or written confirmation by an Authorized Officer of the Institution as provided in this Section 4.06.

(d) The Bondholder shall provide monthly reports to the Institution of the balances of all funds held by the Bondholder hereunder for the benefit of the Institution within five (5) Business Days after the end of each month, which reports shall provide details of all activity in the Construction Fund including investment detail for purchases, sales and maturities (type of securities, maturity dates, interest rates, cost), interest earnings and disbursements of Bond Proceeds to the Institution or for Costs of Issuance and the payee therefore.

Section 4.07 Accounts and Inspection.

The Bondholder shall keep proper books of records and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of its transactions relating to the Bonds, including copies of all invoices and requisitions submitted by the Institution. Such books and accounts, at reasonable hours on reasonable prior notice and subject to the reasonable rules and regulations of the Bondholder, shall be subject to the inspection of the Institution or the Issuer.

ARTICLE V
PAYMENT AND PREPAYMENT BY ISSUER

Section 5.01 Payment of Principal, Interest and Premium.

The Issuer shall pay, or cause to be paid by the Institution, the principal of, interest on and premium, if any, on the Bonds as provided in the Bonds and as provided herein and in Section 5.02 hereof. So long as the Bank is the sole Bondholder, the Institution shall make payments of principal and interest due on the Bonds directly to the Bondholder through the direct debiting of the Institution's accounts held at the Bank and the Institution hereby authorizes such direct debiting.

Section 5.02 Prepayment of Loan and Redemption of Bonds.

Any partial or full prepayment of the loan shall effect a simultaneous partial or full redemption of the Bonds in accordance with Section 3.04 hereof.

Section 5.03 Special Obligations.

(a) The Bonds are special obligations of the Issuer, and the principal of, interest and premium, if any, on the Bonds shall be payable solely out of the Revenues. The Issuer shall not be obligated to pay any amounts due under this Bond Purchase and Loan Agreement, including without limitation, the principal of, interest on and premium, if any, on the Bonds from any Property of the Issuer other than the Revenues or other amounts paid by the Institution to the Issuer pursuant to Section 7.17 hereof for the purpose of making such payment. The Bonds are not and shall not be a debt of the State of New York, the County of Essex or any other municipality of the State of New York, and none of the State of New York, the County of Essex or any other such municipality shall be liable thereon. The Bondholder hereby acknowledges that the Issuer shall have no liability for any other charges payable pursuant to, or expenses or liabilities incurred with respect to, obligations under this Bond Purchase and Loan Agreement, which obligations shall be payable by the Institution to the Bondholder in accordance with the terms hereof.

(b) All payments made by or on behalf of the Institution to the Owner of the Bonds, or upon its order, with respect to Debt Service Payments pursuant hereto shall, to the extent of the sum or sums so paid, satisfy and discharge the liability of the Issuer for Debt Service Payments payable upon the Bonds pursuant to this Bond Purchase and Loan Agreement.

(c) All covenants, stipulations, promises, agreements and obligations of the Issuer contained in this Bond Purchase and Loan Agreement, the Bonds, the Negative Pledge Agreement, the Security Agreement, and the other Bond Documents and in the other documents and instruments supplemental thereto (collectively, the "**Financing Documents**"), shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any member, director, officer, agent, servant or employee of the Issuer in his individual capacity, and no recourse under or upon any obligation, covenant or agreement in the Financing Documents contained or otherwise based upon or in respect of the Financing Documents, or for any claim based hereon or thereon or otherwise in respect hereof or thereof, shall be had against any past, present or future member, officer, agent, servant or employee, as such, of the Issuer or of any successor corporation or any political subdivision or any person so executing the Financing Documents, it being expressly understood that the Financing Documents are solely special obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent, servant or employee of the Issuer or of any successor corporation or political subdivision or any person so executing the Financing Documents because of the indebtedness thereby authorized or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, director, agent, servant or employee because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of the Financing Documents and the issuance, execution, sale and delivery of the Bonds.

ARTICLE VI
PROJECT AND PROJECT REQUIREMENTS

Section 6.01 Project Financing and Refinancing.

(a) The Issuer agrees, upon satisfaction of the conditions to the issuance of the Bonds contained herein to be satisfied by the Institution, to sell, issue and deliver the Bonds to the Bondholder.

(b) The Institution agrees that, upon the request of an Authorized Officer of the Issuer and as a condition to the issuance of the Bonds, it shall deliver to the Issuer a certificate of an Authorized Officer of the Institution satisfactory to an Authorized Officer of the Issuer setting forth and representing (i) the amount of Restricted Gifts theretofore received by the Institution in connection with the Project, (ii) that all of such amount has been or will be spent on the Project or will be otherwise applied in a manner acceptable to an Authorized Officer of the Issuer; (iii) that such amount shall not be reimbursed from the proceeds of the Bonds, (iv) whether the Institution reasonably expects any additional Restricted Gifts in connection with the Project to be received while the Bonds are Outstanding, and (v) such other matters as may be required by an Authorized Officer of the Issuer to determine whether issuance of the Bonds will comply with the requirements of the Code.

(c) If, prior to completion of construction of the Project, the Institution receives any Restricted Gift therefor, the Institution shall, to the extent not inconsistent with the terms of such Restricted Gift, either (i) to the extent necessary to complete the Project, apply such amount to the completion of the Project or otherwise in a manner acceptable to the Issuer, or (ii) to the extent such moneys will exceed the amount necessary to complete the Project, pay such amount to the Bondholder to pay principal on the Bonds or to redeem the Bonds in accordance with the terms hereof. If, after completion of the construction of the Project, the Institution receives any Restricted Gift which prior to such completion it reasonably expected to receive, the Institution shall hold a like amount in a segregated account with the Bondholder which account shall be yield restricted until the amounts therein are used to pay principal on the Bonds or to redeem the Bonds in accordance with the terms hereof.

The Institution represents, warrants and covenants that it has expended or will expend on the Project, from sources other than proceeds of the Bonds, an amount equal to or greater than the amount of Restricted Gifts received and reasonably expected to be received by it in the future from pledges or otherwise) and no such money will be pledged as collateral for the Bonds or is otherwise expected to be used to pay the principal of or interest on the Bonds, except as otherwise provided in the paragraph above. For purposes of this paragraph, it is understood that all or any part of the Project may be named in honor of a donor or donors in recognition of pledges, contributions or services of the donor or donors that are unrelated to the Costs of the Project, and amounts pledged or contributed by the donor or donors for purposes unrelated to the Costs of the Project will not be considered to have been raised for purposes of constructing or equipping the Project.

Section 6.02 Construction of the Project.

(a) The Institution agrees that, whether or not there is sufficient money available to the Institution on deposit in the Construction Fund, the Institution shall complete the acquisition, design, construction, reconstruction, rehabilitation and improving or otherwise providing and furnishing and equipping of the Project, substantially in accordance with the Contract Documents relating thereto, and the Institution shall achieve Project Completion on or before three (3) years after the Closing Date.

Nothing contained in this Section 6.02 shall be construed to require the Institution to complete the acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of the Project if prior to Project Completion (i) the Project or the property upon which the Project is located or any substantial portion thereof shall have been taken by eminent domain or condemnation or shall have been damaged or destroyed, (ii) the Project or property, or substantial portion thereof, is damaged or destroyed and not to be repaired, replaced or restored, and (iii) the proceeds of any condemnation award or insurance policy resulting from such taking, damage or destruction shall have been paid to the Bondholder as required by Section 7.11 hereof.

The Institution shall permit the Issuer, the Bondholder and their respective authorized representatives, during normal business hours and upon reasonable notice, to enter upon the Property of the Institution to inspect the Project and all materials, fixtures and articles used or to be used in construction of the Project, and to examine all Contract Documents. The Institution shall furnish to the Issuer and the Bondholder and their respective authorized representatives, when requested, copies of such Contract Documents. The Institution agrees to retain all documentation of expenditures for items which constitute Costs of the Project for at least seven (7) years after the date of Project Completion to which such documentation relates for inspection at any time by the Bondholder or the Issuer or its auditors.

(b) The Project shall be deemed to be complete upon delivery to the Issuer and the Bondholder of a certificate signed by an Authorized Officer of the Institution, which certificate shall be delivered as soon as practicable after the date of completion of the Project. Any such certificate shall state that the Project has been completed substantially in accordance with the Plans and Specifications and that the Project is ready for occupancy or use, shall specify the date of completion and shall contain a certification of the Rebate Amount due on such date, if any or, if no such Rebate Amount is due, shall contain a certification to such effect.

Section 6.03 Project Amendment.

The Institution, with the prior written consent of the Issuer and the Bondholder, may amend the Project to decrease, increase or otherwise modify the scope thereof. Any such increase may provide for the addition of any further acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of the Project which the Issuer is authorized to undertake in accordance with the Act. After the date hereof, the Institution shall not enter into, amend or modify, by change order or otherwise, any Contract Document that materially affects the scope or nature of the Project, without the prior written

approval of the Bondholder. The Institution shall deliver to the Bondholder or the Issuer copies of such change orders as the Bondholder or the Issuer may from time to time request.

Section 6.04 Maintenance, Repair and Replacement.

The Institution agrees that, throughout the term hereof, it shall, at its own expense, hold, operate and maintain the Project in a prudent and commercially reasonable manner, and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, reasonable wear and tear excepted, and shall from time to time make all necessary and proper repairs, replacements and renewals.

The Institution further agrees that it shall pay at its own expense all ordinary and extraordinary costs of maintaining, repairing and replacing the Project except insofar as funds are made available therefor from proceeds of insurance, condemnation or eminent domain awards.

Section 6.05 Government Requirements.

The Contract Documents shall conform to all Governmental Requirements. The Institution shall comply with (i) all Governmental Requirements with respect to the Project, or any part thereof, and the construction, operation, maintenance, repair and replacement thereof which, if not complied with, could adversely affect the Institution, its operations or financial condition or the Project in any material respect and (ii) any requirement of an insurance company writing insurance thereon irrespective of the nature of the work required to be done, extraordinary as well as ordinary and foreseen as well as unforeseen. Anything contained in this Section 6.05 to the contrary notwithstanding, the Institution shall have the right to contest the validity of any Governmental Requirement or the application thereof at the Institution's sole cost and expense. During such contest, compliance with any such contested Governmental Requirement may be deferred by the Institution, provided that prior to commencing any action or proceeding, administrative or judicial, contesting such Governmental Requirement the Institution shall notify the Issuer and the Bondholder of the Institution's intention to contest such Governmental Requirement and, if the Bondholder or the Issuer requests, shall furnish to the Bondholder, as applicable, a surety bond, money or other security, reasonably satisfactory to the Bondholder securing compliance with the contested Governmental Requirement and payment of all interest, penalties, fines, fees and expenses resulting from or in connection with such contest or the failure of the Institution to comply with the contested Governmental Requirement. Any such action or proceeding instituted by the Institution shall be commenced as soon as is reasonably possible after the assertion of the applicability to the Project or any part thereof of the contested Governmental Requirement by a governmental authority, and shall be prosecuted to final adjudication or other final disposition with reasonable dispatch. Notwithstanding the furnishing of any bond, deposit or other security, the Institution promptly shall comply with any such Governmental Requirement and compliance shall not be deferred if at the time the Project, or any part thereof, to which such contested Governmental Requirement relates, would in the reasonable judgment of the Bondholder be in substantial danger by reason of the Institution's noncompliance with such Governmental Requirement of being sold, attached, forfeited, foreclosed, transferred, conveyed, assigned or otherwise subjected to any proceeding, equitable remedy, Lien, charge, fee or penalty that would materially impair the ability of (i) the Issuer to

fulfill the terms of any covenants or perform any of its obligations hereunder; or (ii) the Institution to fulfill the terms of any covenants or perform any of its obligations hereunder.

Section 6.06 Warranty of Title; Utilities and Access.

(a) The Institution hereby warrants, represents and covenants to the Issuer and the Bondholder that (i) it has good and marketable title to its Property (including the Project), free and clear of all Liens, except Permitted Liens, so as to permit it to have quiet enjoyment and use thereof for the purposes hereof and the Institution's programs and (ii) the Institution has such rights of way, easements or other rights in land as may be reasonably necessary for ingress and egress to and from the Project for proper operation and utilization of the Project and for utilities required to serve the Project, together with such rights of way, easements or other rights in, to and over land as may be necessary for construction, use and operation by the Institution of the Project.

(b) The Institution warrants, represents and covenants that the Project (i) is and will be serviced by all necessary utilities (including, to the extent applicable, without limitation, electricity, gas, water, sewer, steam, heating, air-conditioning and ventilation) and (ii) to the extent applicable, has and will have its own separate and independent means of access, apart from any other property owned by the Institution or others; provided, however, that such access may be through common roads or walks owned by the Institution used also for other parcels owned by the Institution.

ARTICLE VII
REPRESENTATIONS AND COVENANTS; FINANCIAL OBLIGATIONS

Section 7.01 Representations and Covenants by Issuer.

The Issuer represents and warrants to the Bondholder and the Institution as follows:

(i) The Issuer is a body corporate and politic constituting a public benefit corporation of the State, duly created and established and validly existing pursuant to the Act.

(ii) The Issuer has all requisite legal right, power and authority to: (A) adopt the Resolution and perform its obligations thereunder, (B) execute and deliver this Bond Purchase and Loan Agreement and perform its obligations under this Bond Purchase and Loan Agreement, (C) execute, issue, sell and deliver the Bonds, and (D) consummate the transactions to which the Issuer is or is to be a party as contemplated by the Resolution, this Bond Purchase and Loan Agreement and the Bonds.

(iii) The Issuer has duly authorized by all necessary actions: (A) the adoption of the Resolution and performance of its obligations thereunder, (B) the execution and delivery of this Bond Purchase and Loan Agreement and performance of its obligations under this Bond Purchase and Loan Agreement, (C) the execution, issuance, sale and delivery of the Bonds and (D) the consummation of the transactions to which the Issuer is or is to be a party as contemplated by the Resolution, this Bond Purchase and Loan Agreement and the Bonds and such authorized acts do not and will

not in any material respect conflict with, or constitute on the part of the Issuer a breach of or default under, any agreement or other instrument to which the Issuer is a party or any existing law, administrative regulation, judgment, order, decree or ruling by which the Issuer is bound or to which it is subject.

(iv) The Resolution constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; this Bond Purchase and Loan Agreement, when duly executed and delivered, will constitute a legal, valid and binding special obligation of the Issuer enforceable in accordance with its terms; and the Bonds, when delivered to and paid for by the Bondholder on the Closing Date in accordance with the provisions hereof, will constitute legal, valid and binding special obligations of the Issuer, enforceable in accordance with their terms and in conformity with, and entitled to the benefits of the provisions of, the Act, the Resolution and this Bond Purchase and Loan Agreement.

(v) All consents, approvals, authorizations or orders of, or filings, registrations or declarations with, any court, governmental authority, legislative body, board, agency or commission which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations in connection with the execution, issuance, delivery or sale of the Bonds under the Resolution and this Bond Purchase and Loan Agreement have been duly obtained (including the approval of the Public Authorities Control Board of the State) and are in full force and effect, except for such approvals, consents and other actions as may be required under the blue sky or other securities laws of any state or other jurisdiction of the United States in connection with the offering and sale of the Bonds.

(vi) The Issuer is not now in default under, and the adoption of the Resolution and the execution and delivery of this Bond Purchase and Loan Agreement and the Bonds will not conflict with or constitute a breach of, any agreement or other instrument to which it is a party or any existing administrative regulation, judgment, order, decree, ruling or other law by which it is bound or subject, which breach or default is material to the transactions contemplated hereby and by the Resolution, this Bond Purchase and Loan Agreement and the Bonds; and no event has occurred and is continuing that with the passage of time or the giving of notice, or both, would constitute, under any such instrument or law, such a breach or default material to such transactions.

(vii) No action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency or body, is pending or, to the best knowledge of the Issuer, threatened against or affecting the Issuer to restrain or enjoin the execution, issuance, sale or delivery of the Bonds or the proceedings or authority under which the Bonds are to be issued, or contesting the legal existence of the Issuer, the title of any of its members or officers to their respective offices or, wherein an unfavorable decision, ruling or finding would, in any way, adversely affect (A) the transactions contemplated hereby and by the Resolution and the Bonds, (B) the validity of the Resolution, this Bond Purchase and Loan Agreement, the Bonds or any agreement or instrument to which the Issuer is a party and which is used or is contemplated for use in

the consummation of the transactions contemplated hereby and by the Resolution and the Bonds, or (C) the exemption of the Bonds from taxation as set forth in the approving opinion of Bond Counsel.

Section 7.02 Representations and Covenants by Bondholder.

The Bondholder hereby agrees with and represents to the Issuer that:

- (i) The Bondholder is a Massachusetts chartered bank.
- (ii) The Bondholder has duly authorized the execution, delivery and performance of this Bond Purchase and Loan Agreement. This Bond Purchase and Loan Agreement, when executed and delivered by the Bondholder, shall constitute a legal, valid and binding obligation of the Bondholder enforceable in accordance with its terms.
- (iii) The Bondholder is a Qualified Institutional Buyer and is purchasing the Bonds for its own account or for the account of an affiliate or a related entity and not for the account of others other than an affiliate or a related entity and without a present view to, or for, resale or redistribution to other Persons; however, the Bondholder shall have the right to resell the Bonds to another Qualified Institutional Buyer in accordance with the applicable rules and regulations of the Securities and Exchange Commission.
- (iv) The Bondholder has not offered the Bonds for resale and presently has no arrangement, written or oral, with any Person for the distribution, transfer or resale of the Bonds other than to an affiliate or a related entity, and, in the event of any such transfer or resale to any other Qualified Institutional Buyer, the Bondholder will comply in all material respects with the securities laws of the United States, the State and any other state of the United States (including the District of Columbia), to the extent then applicable, and in that regard will make or cause to be made to any prospective purchaser or transferee such disclosures with respect to the affairs and condition, financial or otherwise, of the Institution and the Issuer as may be then required or reasonably appropriate under the circumstances.
- (v) The Bondholder has had an opportunity to make such investigations and has had access to such information concerning the affairs and condition, financial or otherwise, of the Issuer and the Institution in connection with and as a basis for the purchase of the Bonds as the Bondholder deems necessary under the circumstances, and in that connection, the Bondholder acknowledges that neither the Issuer nor Bond Counsel has made any investigation or inquiry with respect to the affairs and condition, financial or otherwise, of the Institution except, with respect to Bond Counsel, to the extent necessary to render its opinion; and that neither the Issuer nor Bond Counsel has made or does make any representation to the Bondholder with respect to the adequacy, sufficiency or accuracy of any financial statements or other information provided to the Bondholder with respect to the ability of the Institution to pay the Bonds or fulfill its other obligations with respect to the transactions contemplated in connection therewith; and that Bond Counsel has not made any investigation or inquiry with respect

to the affairs and condition, financial or otherwise, of the Issuer except to the extent necessary to render its opinion.

(vi) The Bondholder has determined that it does not require a private placement memorandum or other disclosure document in connection with the sale of the Bonds by the Issuer to the Bondholder in accordance with this Bond Purchase and Loan Agreement.

Section 7.03 Representations and Covenants by Institution.

The Institution represents and covenants to the Bondholder and the Issuer:

(i) The Institution (i) is an education corporation duly organized, validly existing and in good standing under the laws of the State of New York, (ii) it is an organization described in Section 501(c)(3) of the Code, or corresponding provisions of prior law, and is not a “private foundation,” as such term is defined under Section 509(a) of the Code, (iii) it has received a letter or other notification from the Internal Revenue Service to that effect, (iv) such letter or other notification has not been modified, limited or revoked, (v) it is in compliance with all terms, conditions and limitations, if any, contained in such letter or other notification, (vi) the facts and circumstances which form the basis of such letter or other notification as represented to the Internal Revenue Service continue to exist, and (vii) it is exempt from federal income taxes under Section 501(a) of the Code except for unrelated business income subject to the taxation under Section 511 of the Code.

(ii) The Institution covenants that (a) it shall not perform any act or enter into any agreement which shall adversely affect such federal income tax status and shall conduct its operations in the manner which will conform to the standards necessary to qualify the Institution as an organization within the meaning of Section 501(c)(3) of the Code or any successor provision of federal income tax law, and (b) it shall not perform any act, enter into any agreement or use or permit the Project to be used in any manner, or for any trade or business or other non-exempt use unrelated to the purposes of the Institution, which could adversely affect the exclusion of interest on the Bonds from federal gross income pursuant to Section 103 of the Code.

(iii) The Institution has full legal right, power and authority to execute, deliver and perform its obligations hereunder and under any other documents contemplated hereby (collectively, the “**Institution Documents**”) and to incur the indebtedness hereunder in the manner and to the extent provided herein.

(iv) The Institution has duly authorized the execution, delivery and performance of each of the Institution Documents. The Institution Documents, when executed and delivered by the Institution, shall constitute legal, valid and binding obligations of the Institution enforceable in accordance with their respective terms.

(v) There is no action, suit, proceeding or investigation at law or in equity pending or, to the knowledge of the Institution, threatened in any court or before any administrative body, either state or federal, calling into question the creation,

organization or existence of the Institution, the Institution's right or authority to exercise any of its powers, the validity of the Institution Documents or the authority of the Institution to execute, deliver or perform any of the Institution Documents, or any other matter wherein an unfavorable decision, ruling or finding would have a material adverse effect on the validity or enforceability of any of the Institution Documents.

(vi) The Institution has not taken or omitted to take and will not take or omit to take any action which action or omission, respectively, will in any way result in the Bond Proceeds being applied in a manner other than as described herein.

(vii) The Institution will take all action and do all things that it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Institution Documents.

(viii) The Institution will execute, acknowledge, when appropriate, and deliver from time to time at the request of the Bondholder such instruments and documents as, in the reasonable opinion of the Bondholder, are necessary or desirable to carry out the intent and purpose of this Bond Purchase and Loan Agreement.

(ix) The Institution repeats, confirms and incorporates by reference herein, with the same effect as if set forth herein in full, all the representations and covenants made by it in the Tax Certificate.

(x) The Institution is not currently, in any material respect, in breach of, and neither the execution and delivery of the Institution Documents and all other documents contemplated thereby nor the issuance, execution and delivery of the Bonds nor the consummation of the transactions contemplated by the Institution Documents and all other documents contemplated thereby nor the fulfillment of or compliance with the provisions of the Bonds or any of the other Institution Documents and all other documents described therein will, in any material respect, conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of the Act, of any other law or ordinance of the State or any political subdivision thereof, of the Charter or By-Laws, as amended, of the Institution or of any corporate restriction or any material agreement or instrument to which the Institution is a party or by which it or its Property is bound.

(xi) The Institution, whenever requested by the Issuer or the Bondholder, shall provide and certify or cause to be provided and certified: (i) such information concerning the Institution, its finances and other related topics as reasonably requested; and (ii) such additional information as the Issuer from time to time reasonably considers necessary or desirable to enable it to make any reports or obtain any approvals required by law, governmental regulation or the Resolution in order to issue the Bonds or to effect any of the transactions contemplated hereby or by the Resolution.

(xii) The Institution has not encumbered its title to its Property except for Permitted Liens.

Section 7.04 Financial Obligations.

(a) The Institution hereby unconditionally agrees to pay, or cause to be paid, to or upon the order of the Issuer, from its general funds or any other money legally available to it:

(i) On or before the date of delivery of the Bonds, the Issuer Fee agreed to by the Issuer and the Institution in connection with issuance of the Bonds;

(ii) On or before the date of delivery of the Bonds, such amount, if any, as is required, in addition to the proceeds of the Bonds available therefor, to pay the Costs of Issuance of the Bonds;

(iii) On each Debt Service Payment Date, the interest due on the Bonds on such Debt Service Payment Date;

(iv) On each Debt Service Payment Date commencing with the May 1, 2020 Debt Service Payment Date, the principal due on such Debt Service Payment Date with respect to the Series 2019A Bonds;

(v) On the Series 2019A Maturity Date, all outstanding principal and interest on the Series 2019A Bonds, and on the Series 2019B Maturity Date, all outstanding principal and interest on the Series 2019B Bonds;

(vi) [Reserved];

(vii) Promptly after notice from the Issuer, but in any event not later than fifteen (15) days after such notice is given, the amount set forth in such notice as payable to the Issuer (i) to reimburse the Issuer for payments made by it pursuant to paragraph (d) of this Section 7.04 or Section 7.10 and any expenses or liabilities incurred by the Issuer pursuant to Sections 7.12 or 7.17 hereof, (ii) to reimburse the Issuer for any external costs or expenses incurred by it attributable to the issuance of the Bonds or the financing or construction of the Project, including, but not limited to, costs and expenses of insurance and auditing, and (iii) for the costs and expenses incurred by the Issuer to compel full and punctual performance by the Institution of all the provisions hereof in accordance with the terms hereof and thereof;

(viii) Immediately upon declaration by the Bondholder, all amounts required to be paid by the Institution as a result of an acceleration pursuant to Section 8.02 hereof;

(ix) Promptly upon demand by the Issuer, the amount required to be rebated to the Department of the Treasury of the United States of America in accordance with the Code in connection with the Bonds; and

(x) To the extent not otherwise set forth in this Section 7.04(a), including without limitation, in the event of any insufficiency, any amounts necessary to pay the principal or redemption price, if any, of, and interest on, the Bonds, on the dates,

in the amounts, at the times and in the manner provided herein, whether at maturity, upon acceleration, redemption or otherwise.

The Issuer hereby irrevocably directs the Institution, and the Institution hereby agrees to make: (1) the payments required by subparagraphs (iii), (iv), (v), (viii), (ix) and (x) of this paragraph (a), directly to the Bondholder for application in accordance herewith; (2) the payments required by subparagraph (ii) of this paragraph (a) directly to the Bondholder for deposit in the Construction Fund; and (3) the payments required by subparagraphs (i), (vi) and (vii) of this paragraph (a) directly to the Issuer.

(b) The Institution hereby unconditionally agrees to pay, or cause to be paid, to or upon the order of the Bondholder, from its general funds or any other money legally available to it:

(i) Promptly after notice from the Bondholder, but in any event not later than fifteen (15) days after such notice is given, all amounts payable by the Institution to the Bondholder pursuant to Section 3.03 hereof and prepayment premiums pursuant to the terms of the Bonds;

(ii) Promptly after notice from the Bondholder, but in any event not later than fifteen (15) days after such notice is given, the amount set forth in such notice as payable to the Bondholder (i) to reimburse the Bondholder for payments made by it pursuant to paragraph (d) of this Section 7.04 or Section 7.10 and any expenses or liabilities incurred by the Bondholder pursuant to Sections 7.12 or 7.17 hereof, (ii) to reimburse the Bondholder for any external costs or expenses incurred by it attributable to the issuance of the Bonds or the financing or construction of the Project, including, but not limited to, costs and expenses of insurance and auditing, and (iii) for the costs and expenses incurred by the Bondholder to compel full and punctual performance by the Institution of all the provisions hereof in accordance with the terms hereof and thereof.

(c) The obligations of the Institution to make payments or cause the same to be made hereunder shall be absolute and unconditional and the amount, manner and time of making such payments shall not be decreased, abated, postponed or delayed for any cause or by reason of the happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the Institution may otherwise have against the Issuer, the Bondholder or any Holder of a Bond for any cause whatsoever including, without limiting the generality of the foregoing, failure of the Institution to complete the Project or the completion thereof with defects, failure of the Institution to occupy or use the Project, any declaration or finding that the Bonds are or the Resolution is invalid or unenforceable or any other failure or default by the Issuer or the Bondholder; *provided, however*, that in the event the Issuer or the Bondholder, as applicable, shall fail to perform any of its respective agreements, duties or obligations, the Institution may institute such action as it may deem necessary to compel performance or recover damages for non-performance.

This Bond Purchase and Loan Agreement and the obligation of the Institution to make payments hereunder are general obligations of the Institution.

(d) The Issuer and the Bondholder shall have the right in their respective sole discretion to make on behalf of the Institution any payment required pursuant to this Section which has not been made by the Institution when due; provided, however, that no payments shall be made by the Issuer or the Bondholder until any applicable notice and cure periods shall have expired as set forth herein. No such payment by the Issuer or the Bondholder shall limit, impair or otherwise affect the rights of the Issuer or the Bondholder under Section 8.02 hereof arising out of the Institution's failure to make such payment and no payment by the Issuer or the Bondholder shall be construed to be a waiver of any such right or of the obligation of the Institution to make such payment. The Bondholder and the Issuer hereby agree to make reasonable efforts to consult with each other prior to making any payments under this paragraph (d).

Section 7.05 Maintenance of Corporate Existence.

The Institution covenants that it will (i) maintain its corporate existence, (ii) continue to operate as an Exempt Organization and an Independent School, (iii) obtain, maintain and keep in full force and effect such governmental approvals, consents, licenses, permits and accreditation as may be necessary for it to continue to so operate, (iv) not dissolve or otherwise dispose of all or substantially all of its assets (other than the sale of obsolete or worn-out equipment sold in the ordinary course of business which equipment is simultaneously replaced by new or better equipment) or consolidate with or merge into another person or entity or permit one or more persons or entities to consolidate with or merge into it.

Section 7.06 Securities Act Status.

The Institution represents that it is an Exempt Organization organized and operated: (i) exclusively for educational, benevolent or charitable purposes, (ii) not for pecuniary profit, and (iii) no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. The Institution agrees that it shall not perform any act or enter into any agreement which shall adversely affect such status as set forth in clauses (i), (ii) and (iii) of this Section.

Section 7.07 Use, Control and Sale of the Project.

Subject to the rights, duties and remedies of the Issuer and the Bondholder hereunder, the Institution shall have sole and exclusive control and possession of and responsibility for the Project, the supervision of the activities conducted therein or in connection with any part thereof, and the maintenance, repair and replacement of the Project; *provided, however*, that, except as otherwise limited hereby, the foregoing shall not prohibit the use of the Project by persons other than the Institution if, in the opinion of Bond Counsel, such use will not cause interest on the Bonds to be included in the gross income of the owners of the Bonds for purposes of federal income taxation. The Institution covenants that it will not transfer, sell or convey the Project or any part thereof or interest therein, including development rights, irrespective of whether such transfer, sale or conveyance is for fair market value or otherwise (other than, in any case, the sale of obsolete or worn-out equipment sold in the ordinary course of business).

Section 7.08 Restrictions on Religious Use.

The Institution agrees that with respect to the Project or portion thereof, so long as the Project or portion thereof exists and unless and until the Project or portion thereof is sold for the fair market value thereof, the Project or any portion thereof shall not be used for sectarian religious instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; *provided, however,* that the foregoing restriction shall not prohibit the free exercise of any religion; and, *provided, further,* that if at any time hereafter, in the opinion of Bond Counsel, the then applicable law would permit the Project or a portion thereof to be used without regard to the above stated restriction, said restriction shall not apply to the Project and each portion thereof. The Issuer and its agents may conduct such inspections as the Issuer deems necessary to determine whether the Project or any portion of real property thereof financed by Bonds is being used for any purpose proscribed hereby. The Institution hereby further agrees that prior to any disposition of any portion of the Project for less than fair market value, it shall execute and record in the appropriate real property records an instrument subjecting, to the satisfaction of the Issuer, the use of such portion of the Project to the restriction that (i) so long as such portion of the Project (and, if included in the Project, the real property on or in which such portion of the Project is situated) shall exist and (ii) until such portion of the Project is sold or otherwise transferred to a person who purchases the same for the fair market value thereof at the time of such sale or transfer, such portion of the Project shall not be used for sectarian religious instruction or as a place of religious worship or used in connection with any part of the program of a school or department of divinity of any religious denomination. The instrument containing such restriction shall further provide that such restriction may be enforced at the instance of the Issuer or the Attorney General of the State, by a proceeding in any court of competent jurisdiction, by injunction, mandamus or by other appropriate remedy. The instrument containing such restriction shall also provide that if at any time thereafter, in the opinion of Bond Counsel, the then applicable law would permit such portion of the Project, or, if included in the Project, the real property on or in which such portion is situated, to be used without regard to the above stated restriction, then said restriction shall be without any force or effect. For the purposes of this Section an involuntary transfer or disposition of the Project or a portion thereof, upon foreclosure or otherwise, shall be considered a sale for the fair market value thereof.

Section 7.09 Environmental Review.

The Institution hereby represents that it has obtained all necessary approvals from the Adirondack Park Agency (the "APA") for the Project and that, to the best of the Institution's knowledge, there has occurred no event nor has there been any material change made to the Project that would require the undertaking of additional conditions imposed by the Adirondack Park Agency Act (the "Act") or of any environmental compliance proceedings pursuant to Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereunder, all as set forth in the Certificate Regarding Environmental Compliance attached hereto as Schedule D. The Institution further agrees that it will comply in all material respects with all requirements of the Permits, the Determination (as defined in the Certificate Regarding Environmental Compliance) and the Act.

Section 7.10 Covenant as to Insurance.

(a) The Institution agrees to maintain or cause to be maintained with insurance companies insurance of such type, against such risks and in such amounts as are customarily carried by Independent Schools located in the State of a nature similar to that of the Institution, which insurance shall include property damage, fire and extended coverage, public liability and property damage liability insurance in amounts estimated to indemnify the reasonably anticipated damage, loss or liability, subject to reasonable deductible provisions. The Institution shall at all times also maintain worker's compensation coverage and disability benefits insurance coverage as required by the laws of the State.

(b) The Institution shall furnish to the Bondholder annually (i) a certificate or report of an Insurance Consultant that the insurance coverage maintained by the Institution is in accordance with the standards above, and (ii) any certificates of workers' compensation insurance and disability benefits insurance coverage required by the New York State Workers' Compensation Board.

(c) If the Issuer or the Bondholder shall so request in writing, the Institution shall provide to the Issuer or the Bondholder, as applicable, summaries or other evidence of its insurance coverage and shall obtain endorsements reasonably requested by the Issuer or the Bondholder.

Section 7.11 Damage or Condemnation.

In the event of a taking of the Project or any portion thereof by eminent domain or by condemnation, damage or destruction affecting all or part of the Project, then and in such event proceeds of any insurance, condemnation or eminent domain award shall, if in excess of \$250,000, be paid either directly to the Bondholder or upon receipt thereof by the Institution or the Issuer to the Bondholder for deposit in the Construction Fund established in connection with the Project, and

(a) if within one hundred twenty (120) days from the receipt by the Issuer of actual notice or knowledge of the occurrence of such casualty or taking, the Institution and the Bondholder agree in writing, with a copy to the Issuer, that the Project or the affected portion thereof shall be repaired, replaced or restored, the Institution shall proceed to repair, replace or restore the Project or the affected portion thereof, including all fixtures, furniture, equipment and effects, to its original condition insofar as commercially reasonable with such changes and additions as shall be appropriate to the needs of the Institution and approved in writing by the Bondholder and the Issuer, such approval not to be unreasonably withheld or delayed. The funds required for such repair, replacement or restoration shall be paid from time to time as the work progresses, subject to such conditions and limitations as the Bondholder may reasonably impose, from the proceeds of insurance, condemnation or eminent domain awards received by reason of such occurrence and, to the extent such proceeds are not sufficient, from funds to be provided by the Institution; or

(b) if no agreement for the repair, restoration or replacement of the Project or the affected portion thereof shall be reached by the Issuer and the Bondholder within such one

hundred twenty (120) day period, the proceeds then held by the Institution shall be paid to the Bondholder for the redemption of the Bonds in accordance with Section 3.04(c) hereof and the proceeds then held in the Construction Fund shall be applied to the redemption of Outstanding Bonds in accordance with Section 3.04(c) hereof.

Section 7.12 Taxes and Assessments.

The Institution shall pay when due without penalty at its own expense, and hold the Issuer and the Bondholder harmless from, all taxes, assessments, water and sewer charges and other impositions, if any, which may be levied or assessed upon the Project or any part thereof, and upon all ordinary costs of operating, maintaining, renovating, repairing and replacing the Project and its equipment. The Institution shall file exemption certificates as required by law. The Institution agrees to exhibit to the Issuer and the Bondholder within ten (10) days after written demand by the Issuer or the Bondholder, as applicable, certificates or receipts issued by the appropriate authority showing full payment of all taxes, assessments, water and sewer charges and other impositions; *provided, however*, that the good faith contest of such impositions shall be deemed to be complete compliance with the requirements hereof if the Institution sets aside such reserves as may be required by good accounting practices. Notwithstanding the foregoing, the Issuer or the Bondholder in their respective sole discretion, after notice in writing to the Institution, may pay (such payment shall be made under protest if so requested by the Institution) any such charges, taxes and assessments if, in the reasonable judgment of the Issuer or the Bondholder, the Project or any part thereof, would be in substantial danger by reason of the Institution's failure to pay such charges, taxes and assessments of being sold, attached, forfeited, foreclosed, transferred, conveyed, assigned or otherwise subjected to any proceeding, equitable remedy, Lien, charge, fee or penalty that would impair: (i) the interests or security of the Issuer or the Bondholder hereunder; (ii) the ability of the Issuer or the Bondholder to enforce its rights thereunder; (iii) the ability of the Issuer to fulfill the terms of any covenants or perform any of its obligations hereunder or under the Resolution; or (iv) the ability of the Institution to fulfill the terms of the covenants or perform any of its obligations hereunder or under the Resolution. The Institution agrees to reimburse the Issuer or the Bondholder for any such payment, with interest thereon from the date payment was made by the Issuer or the Bondholder at a rate equal to the Default Interest Rate on the date such payment was made by the Issuer or the Bondholder.

Section 7.13 Reports Relating To The Project Or The Mortgaged Property And Financial Information.

(A) The Institution shall, if and when requested in writing by the Issuer and/or the Bondholders, provide to the Issuer and the Bondholders reports with respect to all repairs, replacements, renovations, and maintenance made to the Project. In addition, the Institution shall, if and when requested by the Issuer and/or the Bondholders, provide such other reports concerning the condition of the Project as the Issuer and/or the Bondholders may request. The Institution shall also furnish annually, not later than one hundred fifty (150) days after the end of the Institution's Fiscal Year, to the Bondholders, the Issuer and to such other parties as the Issuer may reasonably designate, copies of its financial statements audited by an independent public accountant selected by the Institution and acceptable to the Issuer and prepared in conformity with generally accepted accounting principles applied on a consistent basis, except that such

audited financial statements may contain such changes as are concurred in by such accountants, and such other statements, reports and schedules describing the finances, operation and management of the Institution and such other information as may be reasonably required by the Issuer and/or the Bondholders.

(B) The Institution shall also furnish annually, not later than one hundred fifty (150) days after the end of the Institution's Fiscal Year, to the Issuer and the Bondholders, a certificate of an Authorized Officer of the Institution stating whether an Event of Default, or an event which, with the giving of notice or the passing of time would constitute an Event of Default, has occurred and is continuing.

(C) Notwithstanding the provisions of this Section 7.13, in the event that the Institution shall fail to comply with any requirement contained in this Section 7.13, the Issuer shall not declare such non-compliance to constitute an Event of Default under Section 8.01 hereof unless the Bondholder shall concur and provide its written consent to declare an Event of Default under this Section 7.13.

Section 7.14 Arbitrage; Tax Exemption.

(a) Each of the Institution and the Issuer covenants that it shall take no action, nor shall it approve the Bondholder's taking any action or making any investment or use of the proceeds of Bonds, which would cause the Bonds or any Series of Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, and any proposed or final regulations thereunder as are applicable to the Bonds at the time of such action, investment or use or otherwise cause interest on the Bonds to be included in the gross income of the owners thereof for purposes of federal income taxation. Neither the Institution nor any "related party" (as such term is defined in Section 1.150-1(b) of the Treasury Regulations) shall purchase any Bonds other than for delivery to and cancellation by the Bondholder, unless the Bondholder shall receive an opinion of Bond Counsel to the effect that the purchase by the Institution or by a related person of Bonds will not cause interest on the Bonds to be included in the gross income of the owners of the Bonds for purposes of federal income taxation.

(b) The Institution covenants that it will not take any action or fail to take any action which would cause any representation or warranty of the Institution contained in a Tax Certificate then to be untrue and shall comply with all covenants and agreements of the Institution contained in each Tax Certificate, unless, in the opinion of Bond Counsel, taking or failing to take such action or failing to comply with its obligations under a Tax Certificate would not adversely affect the exclusion of interest on any Bonds from gross income for federal income tax purposes.

(c) In the event that the Issuer is notified in writing that the Bonds or any transaction pertaining thereto is the subject of any Internal Revenue Service or Securities and Exchange Commission investigation, suit or order, it shall promptly give notice thereof to the Institution and the Bondholder. In the event that the Institution is notified in writing that the Bonds or any transaction pertaining thereto is the subject of any Internal Revenue Service or Securities and Exchange Commission investigation, suit or order, it shall promptly give notice thereof to the Issuer and the Bondholder. Upon the occurrence of such an event, the Institution,

the Bondholder and the Issuer shall fully cooperate with one another and participate in all aspects of the conduct of the response thereto.

(d) The Institution has undertaken full responsibility for performing rebate calculations that may be required to be made from time to time with respect to the Bonds and they will retain, at the sole cost and expense of the Institution, an arbitrage rebate analyst reasonably acceptable to the Issuer and the Bondholder, to perform such calculations. The Institution shall provide copies of all rebate calculations prepared by such rebate analyst to the Issuer. The Institution and the Issuer shall retain in their respective possessions, so long as required by the Code, copies of all documents, reports and computations made by it in connection with the calculation of earnings and the rebate of all or a portion thereof to the Department of the Treasury of the United States of America, which shall be subject at all reasonable times to the inspection of the Institution or the Bondholder and their respective agents and representatives, any of whom may make copies thereof.

(e) Any amounts pledged by the Institution to the Bondholder to secure the Bonds pursuant to any of the Bond Documents shall be invested at a yield not in excess of the yield on the Bonds except as permitted by the Tax Certificate.

Section 7.15 Federal Reserve Regulations.

No proceeds of the Bonds shall be used by the Institution, directly or indirectly, to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock. The Institution will not, directly or indirectly, otherwise take or permit to be taken any action which would result in the issuance of the Bonds or the carrying out of any of the other transactions contemplated by this Bond Purchase and Loan Agreement, being violative of Regulation U or of Regulation T (12 C.F.R. 220, as amended) or of Regulation X (12 C.F.R. 224, as amended) or any other regulation of the Board of Governors of the Federal Reserve System.

Section 7.16 Indemnity by Institution.

(a) To the fullest extent permitted by law, the Institution hereby releases and agrees to defend, hold harmless and indemnify the Issuer and the Bondholder and their respective members, partners, officers, officials, counsel, consultants, agents and employees (collectively, the “**Indemnified Parties**”) from and against all, and agrees that the Indemnified Parties shall not be liable for any, (i) liabilities, suits, actions, claims, demands, damages, losses, expenses and costs of every kind and nature resulting from any action taken in accordance with, or permitted by, this Bond Purchase and Loan Agreement or the Resolution, or arising therefrom or incurred by reason therefor or arising from or incurred by reason of the financing or refinancing of the Project, or (ii) loss or damage to property or any injury to or death of any or all persons that may be occasioned by any cause whatsoever pertaining to the Project or arising by reason of or in connection with the presence on, in or about the premises of the Project of any person; including in each case, without limiting the generality of the foregoing, causes of action and attorneys’ fees and other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing and including any loss, damage or liability which may arise as a result of the negligence (but excluding any loss,

damage or liability which may arise as a result of the negligence of the Bondholder or the gross negligence of the Issuer, willful misconduct or intentional misrepresentation) of any party so indemnified by the Institution, and to deliver at the request of the Issuer or the Bondholder any further instrument or instruments in form satisfactory to the Bondholder or such Authorized Officer of the Issuer as in the reasonable judgment of the Bondholder or such Authorized Officer of Issuer may be necessary to effectuate more fully the provisions of this paragraph (a); *provided, however*, that the Issuer or the Bondholder, as applicable, and the Institution shall each if obtainable provide a waiver of rights of subrogation against the other in any insurance coverage obtained relating to the Project; and, provided further, that the parties indemnified pursuant to this paragraph shall cooperate with the Institution in asserting any defense provided for pursuant to this sentence. The indemnity provided by this paragraph (a) shall be in addition to and not limited by any of the provisions of Section 7.10 or Section 7.12 hereof; *provided, however*, to the extent the Issuer or the Bondholder, as applicable, is fully indemnified for all liabilities, suits, actions, claims, demands, damages, losses, expenses and costs, pursuant to such Sections, the Issuer or the Bondholder, as applicable, shall not be entitled to additional indemnification pursuant to this paragraph (a).

(b) In case any action shall be brought against one or more of the Indemnified Parties in respect of which indemnity may be sought against the Institution, the Indemnified Parties shall promptly notify the Institution in writing, and the Institution shall promptly assume the defense thereof, including the employment of counsel and the payment of all expenses; *provided, however*, that the Institution shall have the right to negotiate and consent to settlement but only so long as such settlement imposes no obligation on the Issuer or the Bondholder; and, *provided, further*, that the Indemnified Parties shall cooperate with the Institution in asserting such defense and in reaching such settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized by the Institution or if the Institution has failed to promptly and adequately assume the defense of such claim.

Section 7.17 Mortgage of Project

The Institution shall execute and deliver the Mortgage in the form attached hereto as Exhibit D, and the Issuer shall assign such Mortgage to the Bondholder. The Mortgage shall be recorded in the office of the Essex County Clerk only upon the occurrence of a Mortgage Recordation Event, in accordance with the provisions of the Continuing Covenants Agreement. The Issuer and the Institution hereby authorize the Bondholder to record the Mortgage and the assignment thereof from the Issuer to the Bondholder in the office of the Essex County Clerk upon the occurrence of a Mortgage Recordation Event, at the sole cost and expense of the Institution, as more particularly described in the Continuing Covenants Agreement.

Section 7.18 Non-Bank Qualified Status.

The Bonds are not being designated as qualified tax-exempt obligations pursuant to the provisions of Section 265(b)(3) of the Code.

ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default.

The following shall be Events of Default under this Bond Purchase and Loan Agreement:

(a) The principal or prepayment price of or interest on the Bonds or any amounts due under this Bond Purchase and Loan Agreement shall not be paid when due or payable, and such failure is not due to any action or omission by Bondholder regarding an auto-debit account with Bondholder; or

(b) Any representation or warranty made by (i) the Issuer herein or in the Tax Certificate, or (ii) the Institution in the Institution Documents, the Continuing Covenants Agreement or any other instrument executed in connection herewith or therewith, or any other instrument executed in connection therewith shall prove to have been false or misleading in any material respect on the date it was intended to be effective; or

(c) The failure by the Issuer to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Issuer by the Bondholder, *provided, however*, if such default is capable of being cured but cannot be cured within such thirty (30) day period, it shall not be an Event of Default if such default will not impair the security of any security for the Bonds if and so long as the Issuer diligently takes continuous appropriate corrective action to cure such default and such default is fully cured within ninety (90) days after such notice; or

(d) The failure by the Institution to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, *provided, however*, if such failure is in connection with any covenant, condition or agreement set forth in Sections 7.09, 7.12 or 7.16, such default shall not be an Event of Default hereunder until thirty (30) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Institution by the Bondholder, *provided, however*, if such default is under Section 7.09 and is capable of being cured but cannot be cured within such thirty (30) day period, it shall not be an Event of Default if such default will not impair the security of any security for the Bonds if and so long as the Institution, as the case may be, diligently takes continuous appropriate corrective action to cure such default and such default is fully cured within sixty (60) days after such notice; or

(e) An "Event of Default" caused by the Institution shall have occurred and be continuing under the Continuing Covenant Agreement, any other Bond Document, any Related Document, or any other agreement with the Bondholder, as such term is defined in such respective documents; or

(f) the occurrence and continuance of an "Event of Default" under the Mortgage; or

(g) An Act of Bankruptcy shall have occurred with respect to the Institution; *provided, however*, any Act of Bankruptcy shall not constitute an Event of Default if such proceeding is not filed or consented to by the Institution and is dismissed within one hundred twenty (120) days after the date of such Act of Bankruptcy.

Section 8.02 Remedies on Default.

(a) Whenever any Event of Default shall have occurred that has not been waived, the Bondholder may take, to the extent permitted by law, any one or more of the following remedial steps: (i) terminate its obligation to disburse the monies in the Construction Fund, (ii) declare the outstanding principal of and interest on the Bonds and all amounts payable to the Bondholder hereunder to be forthwith due and payable, whereupon the same shall become forthwith due and payable without protest, presentment, notice or demand, all of which are expressly waived by the Issuer and the Institution, or (iii) any other remedy available at law or in equity, including without limitation all of the rights and remedies set forth in the Bond Documents.

(b) Whenever any Event of Default with respect to obligations owed by the Institution to the Issuer hereunder shall have occurred, including, without limitation, those payment obligations as set forth in Sections 7.04(a)(i), (ii), (vi), (vii) and (ix) hereof, but excluding those payment obligations set forth in Sections 7.04(a)(iii), (iv), (v) (viii) and (x) hereof, the Issuer may maintain an action against the Institution hereunder to recover any sums payable by the Institution or to require its compliance with the terms hereof for the benefit of the Issuer.

No failure or delay on the part of the Bondholder or the Issuer to exercise any of their respective rights and no course of dealing with respect to any such right shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any other remedies provided by law.

The Bondholder shall give written notice to the Issuer of its declaration of any Event of Default hereunder within two (2) Business Days after the declaration thereof. The Issuer shall give written notice to the Bondholder of its declaration of any Event of Default hereunder within two (2) Business Days after the declaration thereof.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Limitation on Agreements.

The Institution shall not enter into any contract or agreement or perform any act which may materially adversely affect any of the rights of the Issuer hereunder or of the Holders of any Bonds.

Section 9.02 Institution to Pay Expenses.

The Institution agrees to pay (i) the reasonable fees and expenses of the Bondholder, the Issuer and their respective counsel and Bond Counsel and all other costs and expenses incidental to the financing hereunder, the issuance of the Bonds and the costs of producing the documents referred to herein; (ii) all expenses of all filings and recordings pursuant to, or contemplated by, this Bond Purchase and Loan Agreement; and (iii) all costs of collection (including reasonable counsel fees) upon the occurrence of an Event of Default under the Bond Documents.

Section 9.03 Filing.

(a) The Issuer and the Institution hereby irrevocably appoint the Bondholder their agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest), to execute and file on their behalf UCC financing statements and amendments thereto to continue perfecting the security interests held by the Bondholder.

(b) The Bondholder shall cause to be filed all security instruments, including without limitation continuation statements under the Uniform Commercial Code of the State, in such manner and in such places as may be required by law to protect and maintain in force all such security interests held by it.

Section 9.04 Notices.

All notices, requests, demands or other communications shall be either delivered personally or sent by certified mail, postage prepaid, return receipt requested, addressed as follows or to such other addresses as any party may specify in writing to the others:

To the Issuer:

Essex County Capital Resource Corporation
7566 Court Street
Elizabethtown, New York
Attention: Chief Executive Officer

With a copy to:

Briggs Norfolk LLP
2296 Saranac Avenue
Lake Placid, New York 2946
Attention: Jenifer Briggs, Esq.

To the Institution:

North Country School
4382 Cascade Road
Lake Placid, New York 12946
Attention:

To the Bondholder:

Boston Private Bank & Trust Company, as Bondholder
10 Post Office Square
Boston, Massachusetts 02109
Attention: Thatcher L. Freeborn, Senior Vice President

With a copy to:

Greenberg Traurig LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.

Such notices shall be deemed to have been given upon receipt or upon the refusal of the party being notified to accept delivery of such notice. Failure to provide a courtesy copy of the notice, as set out above, shall not impair the effectiveness of the Institution's notice.

Section 9.05 Amendment.

This Bond Purchase and Loan Agreement may be amended by the parties hereto except that the Issuer need not be a party to any amendments of the following Sections hereof: Sections 7.10(a), 7.11, 7.13(a) and 7.18. Each amendment hereof shall be made by an instrument in writing signed by an Authorized Officer of the Institution, the Issuer (as applicable) and Bondholder; and, if requested by the Issuer or the Bondholder, must be accompanied by an opinion of Bond Counsel that such amendment would not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation, which opinion shall be provided at the sole cost and expense of the Institution.

Section 9.06 Termination.

This Bond Purchase and Loan Agreement shall remain in full force and effect until no Bonds are Outstanding and all other payments, expenses and fees payable hereunder by the Institution shall have been paid or provision for the payment thereof have been made to the satisfaction of the Issuer; *provided, however*, that the obligation of the Institution to indemnify the Issuer and the Bondholder under Section 7.17 hereof shall survive termination hereof. Upon termination hereof the Issuer shall promptly deliver such documents as may be reasonably requested by the Institution to evidence such termination and the discharge of the Institution's duties hereunder.

Section 9.07 Binding Effect.

This Bond Purchase and Loan Agreement shall be binding upon and inure to the benefit of the Issuer, the Bondholder, the Institution and their respective successors and assigns.

This Bond Purchase and Loan Agreement is a valid, binding and legal obligation of the Institution enforceable against the Institution in accordance with its terms; *provided, however*, that such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium

or similar laws affecting or relating to the rights of creditors generally and general principles of equity.

Section 9.08 Execution of Counterparts.

This Bond Purchase and Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.09 Applicable Law.

This Bond Purchase and Loan Agreement shall be governed by and construed in accordance with the laws of the State without regard or reference to its conflict of laws or principles of equity.

Section 9.10 Disclaimer of Personal Liability.

No recourse shall be had against or liability incurred hereunder by any member, director, trustee, partner, officer, official, counsel, consultant, employee or agent of the Issuer, the Bondholder or the Institution, or any person executing this Bond Purchase and Loan Agreement for any covenants and provisions hereof or for any claims based hereon, provided that with respect to such personnel, no waiver of recourse shall apply with respect to fraud, malfeasance, intentional misconduct or criminal acts. In no event shall the Bondholder have any liability to the Issuer for monetary damages with respect to reporting obligations under this Bond Purchase and Loan Agreement.

Section 9.11 Severability.

If any one or more of the covenants, stipulations, promises, obligations and agreements provided herein or in the Resolution or the Bonds on the part of the Issuer, the Bondholder or the Institution to be performed should be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, obligation or obligations, agreement or agreements shall be null and void, shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, obligations and agreements contained herein and shall in no way affect the validity of the other provisions hereof, or of the Resolution or the Bonds.

Section 9.12 Further Assurances.

The Institution, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as are necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the Issuer's or the Bondholder's rights hereunder, and the interest of either of them in any other money, securities, funds and security interests created hereby or by the Resolution or that by any of the same are pledged, assigned or granted, or intended so to be, or which the Institution may hereafter become bound to pledge, assign or grant to the Issuer pursuant hereto.

Section 9.13 Table of Contents and Section Headings Not Controlling.

The Table of Contents and the headings of the several sections in this Bond Purchase and Loan Agreement have been prepared for the convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Bond Purchase and Loan Agreement.

Section 9.14 Rights of Bondholder.

All rights of the Bondholder in this Bond Purchase and Loan Agreement, and in the Institution Documents may be exercised by the Bondholder; *provided, however*, that nothing herein contained shall permit, or be construed as permitting, (1) a change in the times, amounts or currency of payment of the principal of, redemption premium, if any, or interest on any Outstanding Bonds, a change in the terms of redemption or maturity of the principal of or the interest on any Outstanding Bonds, or a reduction in the principal amount of or the redemption price of any Outstanding Bond or the rate of interest thereon, or any extension of the time of payment thereof, without the prior written consent of the Owners of such Bonds, (2) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (3) a reduction in the aggregate principal amount of Bonds required for consent to an amendment to this Bond Purchase and Loan Agreement, or (4) a modification, amendment or deletion with respect to any of the terms set forth in this Section 9.14, without, in the case of items (2) through and including (4) of this Section 9.14, the prior written consent of one hundred per centum (100%) of the Owners of the Outstanding Bonds.

Section 9.15 Patriot Act.

The Bondholder hereby notifies the Institution that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Institution, which information includes the name and address of the Institution and other information that will allow the Bondholder to identify the Institution in accordance with the Patriot Act.

Section 9.16 Actions of the Issuer.

Whenever any action, direction or decision may be taken, made or given by the Issuer, it may be done by any Authorized Officer of the Issuer.

Section 9.17 Effective Date.

This Bond Purchase and Loan Agreement shall be effective as of the Closing Date.

Section 9.18 Exhibit and Schedules.

Exhibits A, B C, D and E and Schedules A, B, C, E, H and I are incorporated herein and made a part hereof.

Section 9.19 WAIVER OF JURY TRIAL.

THE INSTITUTION, THE ISSUER AND THE BONDHOLDER HEREBY WAIVE, TO THE FULL EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A JURY TRIAL IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS BOND PURCHASE AND LOAN AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (1) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (2) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS BOND PURCHASE AND LOAN AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.20 Lien Law Affidavit.

The Institution covenants that the affidavit attached hereto as Schedule I and made a part hereof is made pursuant to and in compliance with Section 22 of the New York Lien Law, and, as indicated in such affidavit, the proceeds of the Bonds will be used, in part, to reimburse the Institution for payments made by the Institution prior to the first disbursement of proceeds of the Bonds but subsequent to the commencement of the construction and equipping of the Project for items constituting "cost of improvement" under subdivision 5 of Section 2 of the New York Lien Law.

Section 9.21 Limitation of Liability of the Issuer.

Neither the Issuer nor its members, officers, employees or agents shall be directly, indirectly, contingently or otherwise liable to any other party hereto for any costs, expenses, losses, damages, claims or actions of any kind under any theory under this Bond Purchase and Loan Agreement, any Bond Document or any other document or instrument referred to herein or by reason of or in connection with this Bond Purchase and Loan Agreement, any Bond Document or other document or instrument except to the extent it receives amounts from the Institution available for such purpose. No provision, covenant or agreement contained in, and no obligation herein imposed upon Issuer under this Bond Purchase and Loan Agreement or any other Bond Document, or the breach thereof, shall constitute a charge against the general credit or give rise to a pecuniary liability of Issuer, except for Issuer's responsibility to make payments from money received from the Institution pursuant to, and from amounts held in the funds and accounts established pursuant to, the Bond Documents and pledged therefor. Neither Issuer nor its members, officers, employees or agents shall have any monetary liability arising out of the obligations of Issuer hereunder or in connection with any covenant, representation or warranty made by Issuer herein, and neither Issuer nor its members, officers, employees or agents shall be obligated to pay any amounts in connection with the transactions contemplated hereby other than from the Revenues or money received from the Institution.

IN WITNESS WHEREOF, the parties have caused this Bond Purchase and Loan Agreement to be duly executed as of the day and year first above written.

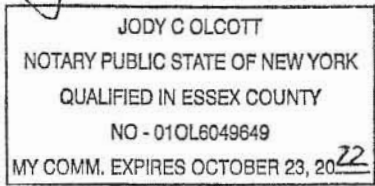
ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: *Darren Darrah*
Darren Darrah, Chairman

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 26 day of March in the year 2019 before me, the undersigned, personally appeared Darren Darrah, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Jody C. OLCOTT
Notary Public



BOSTON PRIVATE BANK & TRUST COMPANY,
as Bondholder

By: _____
Name: _____
Title: _____

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

NORTH COUNTRY SCHOOL

By: _____
Name: David Hochschartner
Title: Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

IN WITNESS WHEREOF, the parties have caused this Bond Purchase and Loan Agreement to be duly executed as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

BOSTON PRIVATE BANK & TRUST COMPANY,
as Bondholder

By: Thatcher Freeborn
Name: Thatcher L. Freeborn
Title: Senior Vice President

MASSACHUSETTS)
COUNTY OF SUFFOLK) ss.:

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Hannah Monique Glover
Notary Public



NORTH COUNTRY SCHOOL
By: _____
Name: David Hochschartner
Title: Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

IN WITNESS WHEREOF, the parties have caused this Bond Purchase and Loan Agreement to be duly executed as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

BOSTON PRIVATE BANK & TRUST COMPANY,
as Bondholder

By: _____
Name:
Title:

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ___ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

NORTH COUNTRY SCHOOL

By: David Hochschartner
Name: David Hochschartner
Title: Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 29th day of March in the year 2019 before me, the undersigned, personally appeared David Hochschartner personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

James M. Brooks

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November 13, 2022

EXHIBIT A

FORM OF SERIES 2019A BONDS AND SERIES 2019B BONDS

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019A

REGISTERED NUMBER		PRINCIPAL AMOUNT
R-A1		\$_[_____]
INTEREST RATE	DATED DATE	MATURITY DATE
[_____]%	March 29, 2019	March 29, 2034

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: [_____]

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the "Bondholder" or "Owner"), or registered assigns, the Principal Amount stated above as set forth herein through the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a "Debt Service Payment Date"), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the "Institution") and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a "Record Date"), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable, in level monthly payments of principal and interest in installments commencing on May 1, 2020 and each Debt Service Payment Date thereafter based on a 30-year amortization period, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019A” (hereinafter called the “Bond”), and issued by the Issuer in the aggregate principal amount of \$5,800,000, under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next

succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for

the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman]and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By _____
Chairman

(SEAL)

Attest

Secretary
Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>	<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>	
1	3/29/2019	5/1/2019	33.00	\$5,800,000.00	\$21,692.00	\$21,692.00	\$0.00	\$5,800,000.00
2	5/1/2019	6/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
3	6/1/2019	7/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
4	7/1/2019	8/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
5	8/1/2019	9/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
6	9/1/2019	10/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
7	10/1/2019	11/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
8	11/1/2019	12/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
9	12/1/2019	1/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
10	1/1/2020	2/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
11	2/1/2020	3/1/2020	29.00	\$5,800,000.00	\$19,062.67	\$19,062.67	\$0.00	\$5,800,000.00
12	3/1/2020	4/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
13	4/1/2020	5/1/2020	30.00	\$5,800,000.00	\$27,958.26	\$19,720.00	\$8,238.26	\$5,791,761.74
14	5/1/2020	6/1/2020	31.00	\$5,791,761.74	\$27,958.26	\$20,348.39	\$7,609.87	\$5,784,151.88
15	6/1/2020	7/1/2020	30.00	\$5,784,151.88	\$27,958.26	\$19,666.12	\$8,292.14	\$5,775,859.74
16	7/1/2020	8/1/2020	31.00	\$5,775,859.74	\$27,958.26	\$20,292.52	\$7,665.74	\$5,768,194.01
17	8/1/2020	9/1/2020	31.00	\$5,768,194.01	\$27,958.26	\$20,265.59	\$7,692.67	\$5,760,501.34
18	9/1/2020	10/1/2020	30.00	\$5,760,501.34	\$27,958.26	\$19,585.70	\$8,372.56	\$5,752,128.79
19	10/1/2020	11/1/2020	31.00	\$5,752,128.79	\$27,958.26	\$20,209.15	\$7,749.11	\$5,744,379.68
20	11/1/2020	12/1/2020	30.00	\$5,744,379.68	\$27,958.26	\$19,530.89	\$8,427.37	\$5,735,952.32
21	12/1/2020	1/1/2021	31.00	\$5,735,952.32	\$27,958.26	\$20,152.31	\$7,805.95	\$5,728,146.37
22	1/1/2021	2/1/2021	31.00	\$5,728,146.37	\$27,958.26	\$20,124.89	\$7,833.37	\$5,720,313.00
23	2/1/2021	3/1/2021	28.00	\$5,720,313.00	\$27,958.26	\$18,152.46	\$9,805.80	\$5,710,507.21
24	3/1/2021	4/1/2021	31.00	\$5,710,507.21	\$27,958.26	\$20,062.92	\$7,895.34	\$5,702,611.87
25	4/1/2021	5/1/2021	30.00	\$5,702,611.87	\$27,958.26	\$19,388.88	\$8,569.38	\$5,694,042.50
26	5/1/2021	6/1/2021	31.00	\$5,694,042.50	\$27,958.26	\$20,005.07	\$7,953.19	\$5,686,089.31
27	6/1/2021	7/1/2021	30.00	\$5,686,089.31	\$27,958.26	\$19,332.70	\$8,625.56	\$5,677,463.76
28	7/1/2021	8/1/2021	31.00	\$5,677,463.76	\$27,958.26	\$19,946.82	\$8,011.44	\$5,669,452.32
29	8/1/2021	9/1/2021	31.00	\$5,669,452.32	\$27,958.26	\$19,918.68	\$8,039.58	\$5,661,412.74
30	9/1/2021	10/1/2021	30.00	\$5,661,412.74	\$27,958.26	\$19,248.80	\$8,709.46	\$5,652,703.29
31	10/1/2021	11/1/2021	31.00	\$5,652,703.29	\$27,958.26	\$19,859.83	\$8,098.43	\$5,644,604.86
32	11/1/2021	12/1/2021	30.00	\$5,644,604.86	\$27,958.26	\$19,191.66	\$8,766.60	\$5,635,838.27
33	12/1/2021	1/1/2022	31.00	\$5,635,838.27	\$27,958.26	\$19,800.58	\$8,157.68	\$5,627,680.59
34	1/1/2022	2/1/2022	31.00	\$5,627,680.59	\$27,958.26	\$19,771.92	\$8,186.34	\$5,619,494.26
35	2/1/2022	3/1/2022	28.00	\$5,619,494.26	\$27,958.26	\$17,832.53	\$10,125.73	\$5,609,368.53
36	3/1/2022	4/1/2022	31.00	\$5,609,368.53	\$27,958.26	\$19,707.58	\$8,250.68	\$5,601,117.86

37	4/1/2022	5/1/2022	30.00	\$5,601,117.86	\$27,958.26	\$19,043.80	\$8,914.46	\$5,592,203.40
38	5/1/2022	6/1/2022	31.00	\$5,592,203.40	\$27,958.26	\$19,647.27	\$8,310.99	\$5,583,892.41
39	6/1/2022	7/1/2022	30.00	\$5,583,892.41	\$27,958.26	\$18,985.23	\$8,973.03	\$5,574,919.39
40	7/1/2022	8/1/2022	31.00	\$5,574,919.39	\$27,958.26	\$19,586.55	\$8,371.71	\$5,566,547.68
41	8/1/2022	9/1/2022	31.00	\$5,566,547.68	\$27,958.26	\$19,557.14	\$8,401.12	\$5,558,146.57
42	9/1/2022	10/1/2022	30.00	\$5,558,146.57	\$27,958.26	\$18,897.70	\$9,060.56	\$5,549,086.01
43	10/1/2022	11/1/2022	31.00	\$5,549,086.01	\$27,958.26	\$19,495.79	\$8,462.47	\$5,540,623.55
44	11/1/2022	12/1/2022	30.00	\$5,540,623.55	\$27,958.26	\$18,838.12	\$9,120.14	\$5,531,503.41
45	12/1/2022	1/1/2023	31.00	\$5,531,503.41	\$27,958.26	\$19,434.02	\$8,524.24	\$5,522,979.18
46	1/1/2023	2/1/2023	31.00	\$5,522,979.18	\$27,958.26	\$19,404.07	\$8,554.19	\$5,514,424.99
47	2/1/2023	3/1/2023	28.00	\$5,514,424.99	\$27,958.26	\$17,499.11	\$10,459.15	\$5,503,965.84
48	3/1/2023	4/1/2023	31.00	\$5,503,965.84	\$27,958.26	\$19,337.27	\$8,620.99	\$5,495,344.86
49	4/1/2023	5/1/2023	30.00	\$5,495,344.86	\$27,958.26	\$18,684.17	\$9,274.09	\$5,486,070.77
50	5/1/2023	6/1/2023	31.00	\$5,486,070.77	\$27,958.26	\$19,274.40	\$8,683.86	\$5,477,386.92
51	6/1/2023	7/1/2023	30.00	\$5,477,386.92	\$27,958.26	\$18,623.12	\$9,335.14	\$5,468,051.78
52	7/1/2023	8/1/2023	31.00	\$5,468,051.78	\$27,958.26	\$19,211.09	\$8,747.17	\$5,459,304.62
53	8/1/2023	9/1/2023	31.00	\$5,459,304.62	\$27,958.26	\$19,180.36	\$8,777.90	\$5,450,526.72
54	9/1/2023	10/1/2023	30.00	\$5,450,526.72	\$27,958.26	\$18,531.79	\$9,426.47	\$5,441,100.26
55	10/1/2023	11/1/2023	31.00	\$5,441,100.26	\$27,958.26	\$19,116.40	\$8,841.86	\$5,432,258.40
56	11/1/2023	12/1/2023	30.00	\$5,432,258.40	\$27,958.26	\$18,469.68	\$9,488.58	\$5,422,769.82
57	12/1/2023	1/1/2024	31.00	\$5,422,769.82	\$27,958.26	\$19,052.00	\$8,906.26	\$5,413,863.57
58	1/1/2024	2/1/2024	31.00	\$5,413,863.57	\$27,958.26	\$19,020.71	\$8,937.55	\$5,404,926.02
59	2/1/2024	3/1/2024	29.00	\$5,404,926.02	\$27,958.26	\$17,764.19	\$10,194.07	\$5,394,731.96
60	3/1/2024	4/1/2024	31.00	\$5,394,731.96	\$27,958.26	\$18,953.49	\$9,004.77	\$5,385,727.19
61	4/1/2024	5/1/2024	30.00	\$5,385,727.19	\$27,958.26	\$18,311.47	\$9,646.79	\$5,376,080.41
62	5/1/2024	6/1/2024	31.00	\$5,376,080.41	\$27,958.26	\$18,887.96	\$9,070.30	\$5,367,010.11
63	6/1/2024	7/1/2024	30.00	\$5,367,010.11	\$27,958.26	\$18,247.83	\$9,710.43	\$5,357,299.68
64	7/1/2024	8/1/2024	31.00	\$5,357,299.68	\$27,958.26	\$18,821.98	\$9,136.28	\$5,348,163.41
65	8/1/2024	9/1/2024	31.00	\$5,348,163.41	\$27,958.26	\$18,789.88	\$9,168.38	\$5,338,995.03
66	9/1/2024	10/1/2024	30.00	\$5,338,995.03	\$27,958.26	\$18,152.58	\$9,805.68	\$5,329,189.36
67	10/1/2024	11/1/2024	31.00	\$5,329,189.36	\$27,958.26	\$18,723.22	\$9,235.04	\$5,319,954.32
68	11/1/2024	12/1/2024	30.00	\$5,319,954.32	\$27,958.26	\$18,087.84	\$9,870.42	\$5,310,083.91
69	12/1/2024	1/1/2025	31.00	\$5,310,083.91	\$27,958.26	\$18,656.09	\$9,302.17	\$5,300,781.74
70	1/1/2025	2/1/2025	31.00	\$5,300,781.74	\$27,958.26	\$18,623.41	\$9,334.85	\$5,291,446.90
71	2/1/2025	3/1/2025	28.00	\$5,291,446.90	\$27,958.26	\$16,791.52	\$11,166.74	\$5,280,280.16
72	3/1/2025	4/1/2025	31.00	\$5,280,280.16	\$27,958.26	\$18,551.38	\$9,406.88	\$5,270,873.28
73	4/1/2025	5/1/2025	30.00	\$5,270,873.28	\$27,958.26	\$17,920.97	\$10,037.29	\$5,260,836.00
74	5/1/2025	6/1/2025	31.00	\$5,260,836.00	\$27,958.26	\$18,483.07	\$9,475.19	\$5,251,360.81
75	6/1/2025	7/1/2025	30.00	\$5,251,360.81	\$27,958.26	\$17,854.63	\$10,103.63	\$5,241,257.19
76	7/1/2025	8/1/2025	31.00	\$5,241,257.19	\$27,958.26	\$18,414.28	\$9,543.98	\$5,231,713.21
77	8/1/2025	9/1/2025	31.00	\$5,231,713.21	\$27,958.26	\$18,380.75	\$9,577.51	\$5,222,135.71
78	9/1/2025	10/1/2025	30.00	\$5,222,135.71	\$27,958.26	\$17,755.26	\$10,203.00	\$5,211,932.71
79	10/1/2025	11/1/2025	31.00	\$5,211,932.71	\$27,958.26	\$18,311.26	\$9,647.00	\$5,202,285.72
80	11/1/2025	12/1/2025	30.00	\$5,202,285.72	\$27,958.26	\$17,687.77	\$10,270.49	\$5,192,015.23

81	12/1/2025	1/1/2026	31.00	\$5,192,015.23	\$27,958.26	\$18,241.28	\$9,716.98	\$5,182,298.25
82	1/1/2026	2/1/2026	31.00	\$5,182,298.25	\$27,958.26	\$18,207.14	\$9,751.12	\$5,172,547.14
83	2/1/2026	3/1/2026	28.00	\$5,172,547.14	\$27,958.26	\$16,414.22	\$11,544.04	\$5,161,003.10
84	3/1/2026	4/1/2026	31.00	\$5,161,003.10	\$27,958.26	\$18,132.32	\$9,825.94	\$5,151,177.17
85	4/1/2026	5/1/2026	30.00	\$5,151,177.17	\$27,958.26	\$17,514.00	\$10,444.26	\$5,140,732.91
86	5/1/2026	6/1/2026	31.00	\$5,140,732.91	\$27,958.26	\$18,061.11	\$9,897.15	\$5,130,835.77
87	6/1/2026	7/1/2026	30.00	\$5,130,835.77	\$27,958.26	\$17,444.84	\$10,513.42	\$5,120,322.35
88	7/1/2026	8/1/2026	31.00	\$5,120,322.35	\$27,958.26	\$17,989.40	\$9,968.86	\$5,110,353.49
89	8/1/2026	9/1/2026	31.00	\$5,110,353.49	\$27,958.26	\$17,954.38	\$10,003.88	\$5,100,349.62
90	9/1/2026	10/1/2026	30.00	\$5,100,349.62	\$27,958.26	\$17,341.19	\$10,617.07	\$5,089,732.55
91	10/1/2026	11/1/2026	31.00	\$5,089,732.55	\$27,958.26	\$17,881.93	\$10,076.33	\$5,079,656.23
92	11/1/2026	12/1/2026	30.00	\$5,079,656.23	\$27,958.26	\$17,270.83	\$10,687.43	\$5,068,968.80
93	12/1/2026	1/1/2027	31.00	\$5,068,968.80	\$27,958.26	\$17,808.98	\$10,149.28	\$5,058,819.53
94	1/1/2027	2/1/2027	31.00	\$5,058,819.53	\$27,958.26	\$17,773.32	\$10,184.94	\$5,048,634.59
95	2/1/2027	3/1/2027	28.00	\$5,048,634.59	\$27,958.26	\$16,021.00	\$11,937.26	\$5,036,697.34
96	3/1/2027	4/1/2027	31.00	\$5,036,697.34	\$27,958.26	\$17,695.60	\$10,262.66	\$5,026,434.68
97	4/1/2027	5/1/2027	30.00	\$5,026,434.68	\$27,958.26	\$17,089.88	\$10,868.38	\$5,015,566.30
98	5/1/2027	6/1/2027	31.00	\$5,015,566.30	\$27,958.26	\$17,621.36	\$10,336.90	\$5,005,229.41
99	6/1/2027	7/1/2027	30.00	\$5,005,229.41	\$27,958.26	\$17,017.78	\$10,940.48	\$4,994,288.93
100	7/1/2027	8/1/2027	31.00	\$4,994,288.93	\$27,958.26	\$17,546.60	\$10,411.66	\$4,983,877.28
101	8/1/2027	9/1/2027	31.00	\$4,983,877.28	\$27,958.26	\$17,510.02	\$10,448.24	\$4,973,429.04
102	9/1/2027	10/1/2027	30.00	\$4,973,429.04	\$27,958.26	\$16,909.66	\$11,048.60	\$4,962,380.45
103	10/1/2027	11/1/2027	31.00	\$4,962,380.45	\$27,958.26	\$17,434.50	\$10,523.76	\$4,951,856.69
104	11/1/2027	12/1/2027	30.00	\$4,951,856.69	\$27,958.26	\$16,836.31	\$11,121.95	\$4,940,734.75
105	12/1/2027	1/1/2028	31.00	\$4,940,734.75	\$27,958.26	\$17,358.45	\$10,599.81	\$4,930,134.94
106	1/1/2028	2/1/2028	31.00	\$4,930,134.94	\$27,958.26	\$17,321.21	\$10,637.05	\$4,919,497.89
107	2/1/2028	3/1/2028	29.00	\$4,919,497.89	\$27,958.26	\$16,168.75	\$11,789.51	\$4,907,708.39
108	3/1/2028	4/1/2028	31.00	\$4,907,708.39	\$27,958.26	\$17,242.42	\$10,715.84	\$4,896,992.55
109	4/1/2028	5/1/2028	30.00	\$4,896,992.55	\$27,958.26	\$16,649.77	\$11,308.49	\$4,885,684.07
110	5/1/2028	6/1/2028	31.00	\$4,885,684.07	\$27,958.26	\$17,165.04	\$10,793.22	\$4,874,890.85
111	6/1/2028	7/1/2028	30.00	\$4,874,890.85	\$27,958.26	\$16,574.63	\$11,383.63	\$4,863,507.23
112	7/1/2028	8/1/2028	31.00	\$4,863,507.23	\$27,958.26	\$17,087.12	\$10,871.14	\$4,852,636.09
113	8/1/2028	9/1/2028	31.00	\$4,852,636.09	\$27,958.26	\$17,048.93	\$10,909.33	\$4,841,726.77
114	9/1/2028	10/1/2028	30.00	\$4,841,726.77	\$27,958.26	\$16,461.87	\$11,496.39	\$4,830,230.38
115	10/1/2028	11/1/2028	31.00	\$4,830,230.38	\$27,958.26	\$16,970.21	\$10,988.05	\$4,819,242.33
116	11/1/2028	12/1/2028	30.00	\$4,819,242.33	\$27,958.26	\$16,385.42	\$11,572.84	\$4,807,669.50
117	12/1/2028	1/1/2029	31.00	\$4,807,669.50	\$27,958.26	\$16,890.95	\$11,067.31	\$4,796,602.19
118	1/1/2029	2/1/2029	31.00	\$4,796,602.19	\$27,958.26	\$16,852.06	\$11,106.20	\$4,785,496.00
119	2/1/2029	3/1/2029	28.00	\$4,785,496.00	\$27,958.26	\$15,185.97	\$12,772.29	\$4,772,723.71
120	3/1/2029	4/1/2029	31.00	\$4,772,723.71	\$27,958.26	\$16,768.17	\$11,190.09	\$4,761,533.63
121	4/1/2029	5/1/2029	30.00	\$4,761,533.63	\$27,958.26	\$16,189.21	\$11,769.05	\$4,749,764.58
122	5/1/2029	6/1/2029	31.00	\$4,749,764.58	\$27,958.26	\$16,687.51	\$11,270.75	\$4,738,493.83
123	6/1/2029	7/1/2029	30.00	\$4,738,493.83	\$27,958.26	\$16,110.88	\$11,847.38	\$4,726,646.46
124	7/1/2029	8/1/2029	31.00	\$4,726,646.46	\$27,958.26	\$16,606.28	\$11,351.98	\$4,715,294.48

125	8/1/2029	9/1/2029	31.00	\$4,715,294.48	\$27,958.26	\$16,566.40	\$11,391.86	\$4,703,902.63
126	9/1/2029	10/1/2029	30.00	\$4,703,902.63	\$27,958.26	\$15,993.27	\$11,964.99	\$4,691,937.64
127	10/1/2029	11/1/2029	31.00	\$4,691,937.64	\$27,958.26	\$16,484.34	\$11,473.92	\$4,680,463.73
128	11/1/2029	12/1/2029	30.00	\$4,680,463.73	\$27,958.26	\$15,913.58	\$12,044.68	\$4,668,419.05
129	12/1/2029	1/1/2030	31.00	\$4,668,419.05	\$27,958.26	\$16,401.71	\$11,556.55	\$4,656,862.51
130	1/1/2030	2/1/2030	31.00	\$4,656,862.51	\$27,958.26	\$16,361.11	\$11,597.15	\$4,645,265.36
131	2/1/2030	3/1/2030	28.00	\$4,645,265.36	\$27,958.26	\$14,740.98	\$13,217.28	\$4,632,048.08
132	3/1/2030	4/1/2030	31.00	\$4,632,048.08	\$27,958.26	\$16,273.93	\$11,684.33	\$4,620,363.76
133	4/1/2030	5/1/2030	30.00	\$4,620,363.76	\$27,958.26	\$15,709.24	\$12,249.02	\$4,608,114.74
134	5/1/2030	6/1/2030	31.00	\$4,608,114.74	\$27,958.26	\$16,189.84	\$11,768.42	\$4,596,346.33
135	6/1/2030	7/1/2030	30.00	\$4,596,346.33	\$27,958.26	\$15,627.58	\$12,330.68	\$4,584,015.65
136	7/1/2030	8/1/2030	31.00	\$4,584,015.65	\$27,958.26	\$16,105.17	\$11,853.09	\$4,572,162.57
137	8/1/2030	9/1/2030	31.00	\$4,572,162.57	\$27,958.26	\$16,063.53	\$11,894.73	\$4,560,267.84
138	9/1/2030	10/1/2030	30.00	\$4,560,267.84	\$27,958.26	\$15,504.91	\$12,453.35	\$4,547,814.50
139	10/1/2030	11/1/2030	31.00	\$4,547,814.50	\$27,958.26	\$15,977.99	\$11,980.27	\$4,535,834.23
140	11/1/2030	12/1/2030	30.00	\$4,535,834.23	\$27,958.26	\$15,421.84	\$12,536.42	\$4,523,297.81
141	12/1/2030	1/1/2031	31.00	\$4,523,297.81	\$27,958.26	\$15,891.85	\$12,066.41	\$4,511,231.41
142	1/1/2031	2/1/2031	31.00	\$4,511,231.41	\$27,958.26	\$15,849.46	\$12,108.80	\$4,499,122.61
143	2/1/2031	3/1/2031	28.00	\$4,499,122.61	\$27,958.26	\$14,277.22	\$13,681.04	\$4,485,441.58
144	3/1/2031	4/1/2031	31.00	\$4,485,441.58	\$27,958.26	\$15,758.85	\$12,199.41	\$4,473,242.17
145	4/1/2031	5/1/2031	30.00	\$4,473,242.17	\$27,958.26	\$15,209.02	\$12,749.24	\$4,460,492.94
146	5/1/2031	6/1/2031	31.00	\$4,460,492.94	\$27,958.26	\$15,671.20	\$12,287.06	\$4,448,205.88
147	6/1/2031	7/1/2031	30.00	\$4,448,205.88	\$27,958.26	\$15,123.90	\$12,834.36	\$4,435,371.53
148	7/1/2031	8/1/2031	31.00	\$4,435,371.53	\$27,958.26	\$15,582.94	\$12,375.32	\$4,422,996.21
149	8/1/2031	9/1/2031	31.00	\$4,422,996.21	\$27,958.26	\$15,539.46	\$12,418.80	\$4,410,577.41
150	9/1/2031	10/1/2031	30.00	\$4,410,577.41	\$27,958.26	\$14,995.96	\$12,962.30	\$4,397,615.12
151	10/1/2031	11/1/2031	31.00	\$4,397,615.12	\$27,958.26	\$15,450.29	\$12,507.97	\$4,385,107.15
152	11/1/2031	12/1/2031	30.00	\$4,385,107.15	\$27,958.26	\$14,909.36	\$13,048.90	\$4,372,058.26
153	12/1/2031	1/1/2032	31.00	\$4,372,058.26	\$27,958.26	\$15,360.50	\$12,597.76	\$4,359,460.50
154	1/1/2032	2/1/2032	31.00	\$4,359,460.50	\$27,958.26	\$15,316.24	\$12,642.02	\$4,346,818.49
155	2/1/2032	3/1/2032	29.00	\$4,346,818.49	\$27,958.26	\$14,286.54	\$13,671.72	\$4,333,146.77
156	3/1/2032	4/1/2032	31.00	\$4,333,146.77	\$27,958.26	\$15,223.79	\$12,734.47	\$4,320,412.30
157	4/1/2032	5/1/2032	30.00	\$4,320,412.30	\$27,958.26	\$14,689.40	\$13,268.86	\$4,307,143.45
158	5/1/2032	6/1/2032	31.00	\$4,307,143.45	\$27,958.26	\$15,132.43	\$12,825.83	\$4,294,317.62
159	6/1/2032	7/1/2032	30.00	\$4,294,317.62	\$27,958.26	\$14,600.68	\$13,357.58	\$4,280,960.05
160	7/1/2032	8/1/2032	31.00	\$4,280,960.05	\$27,958.26	\$15,040.44	\$12,917.82	\$4,268,042.23
161	8/1/2032	9/1/2032	31.00	\$4,268,042.23	\$27,958.26	\$14,995.06	\$12,963.20	\$4,255,079.04
162	9/1/2032	10/1/2032	30.00	\$4,255,079.04	\$27,958.26	\$14,467.27	\$13,490.99	\$4,241,588.05
163	10/1/2032	11/1/2032	31.00	\$4,241,588.05	\$27,958.26	\$14,902.11	\$13,056.15	\$4,228,531.91
164	11/1/2032	12/1/2032	30.00	\$4,228,531.91	\$27,958.26	\$14,377.01	\$13,581.25	\$4,214,950.66
165	12/1/2032	1/1/2033	31.00	\$4,214,950.66	\$27,958.26	\$14,808.53	\$13,149.73	\$4,201,800.93
166	1/1/2033	2/1/2033	31.00	\$4,201,800.93	\$27,958.26	\$14,762.33	\$13,195.93	\$4,188,605.01
167	2/1/2033	3/1/2033	28.00	\$4,188,605.01	\$27,958.26	\$13,291.84	\$14,666.42	\$4,173,938.59
168	3/1/2033	4/1/2033	31.00	\$4,173,938.59	\$27,958.26	\$14,664.44	\$13,293.82	\$4,160,644.78

169	4/1/2033	5/1/2033	30.00	\$4,160,644.78	\$27,958.26	\$14,146.19	\$13,812.07	\$4,146,832.71
170	5/1/2033	6/1/2033	31.00	\$4,146,832.71	\$27,958.26	\$14,569.21	\$13,389.05	\$4,133,443.67
171	6/1/2033	7/1/2033	30.00	\$4,133,443.67	\$27,958.26	\$14,053.71	\$13,904.55	\$4,119,539.12
172	7/1/2033	8/1/2033	31.00	\$4,119,539.12	\$27,958.26	\$14,473.31	\$13,484.95	\$4,106,054.18
173	8/1/2033	9/1/2033	31.00	\$4,106,054.18	\$27,958.26	\$14,425.94	\$13,532.32	\$4,092,521.86
174	9/1/2033	10/1/2033	30.00	\$4,092,521.86	\$27,958.26	\$13,914.57	\$14,043.69	\$4,078,478.17
175	10/1/2033	11/1/2033	31.00	\$4,078,478.17	\$27,958.26	\$14,329.05	\$13,629.21	\$4,064,848.97
176	11/1/2033	12/1/2033	30.00	\$4,064,848.97	\$27,958.26	\$13,820.49	\$14,137.77	\$4,050,711.20
177	12/1/2033	1/1/2034	31.00	\$4,050,711.20	\$27,958.26	\$14,231.50	\$13,726.76	\$4,036,984.45
178	1/1/2034	2/1/2034	31.00	\$4,036,984.45	\$27,958.26	\$14,183.27	\$13,774.99	\$4,023,209.46
179	2/1/2034	3/1/2034	28.00	\$4,023,209.46	\$27,958.26	\$12,766.98	\$15,191.28	\$4,008,018.19
180	3/1/2034	3/29/2034	28.00	\$4,008,018.19	\$4,020,736.97	\$12,718.78	\$4,008,018.19	\$0.00

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019B

REGISTERED NUMBER	PRINCIPAL AMOUNT
R-B1	\$_[_____]

INTEREST RATE	DATED DATE	MATURITY DATE
[_]%	March 29, 2019	March 29, 2026

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: [_____]

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the "Bondholder" or "Owner"), or registered assigns, the Principal Amount stated above on the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a "Debt Service Payment Date"), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the "Institution") and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a "Record Date"), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable on the Maturity Date, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019B” (hereinafter called the “Bond”), and issued by the Issuer in the aggregate principal amount of \$1,300,000 under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon

its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman]and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By _____
Chairman

(SEAL)

Attest

Secretary

Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>		<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>
1	3/29/2019	5/1/2019	33.00	\$1,300,000.00	\$4,385.33	\$4,385.33	\$0.00	\$1,300,000.00
2	5/1/2019	6/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
3	6/1/2019	7/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
4	7/1/2019	8/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
5	8/1/2019	9/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
6	9/1/2019	10/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
7	10/1/2019	11/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
8	11/1/2019	12/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
9	12/1/2019	1/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
10	1/1/2020	2/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
11	2/1/2020	3/1/2020	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
12	3/1/2020	4/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
13	4/1/2020	5/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
14	5/1/2020	6/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
15	6/1/2020	7/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
16	7/1/2020	8/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
17	8/1/2020	9/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
18	9/1/2020	10/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
19	10/1/2020	11/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
20	11/1/2020	12/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
21	12/1/2020	1/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
22	1/1/2021	2/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
23	2/1/2021	3/1/2021	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
24	3/1/2021	4/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
25	4/1/2021	5/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
26	5/1/2021	6/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
27	6/1/2021	7/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
28	7/1/2021	8/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
29	8/1/2021	9/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
30	9/1/2021	10/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
31	10/1/2021	11/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
32	11/1/2021	12/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
33	12/1/2021	1/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
34	1/1/2022	2/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
35	2/1/2022	3/1/2022	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
36	3/1/2022	4/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
37	4/1/2022	5/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
38	5/1/2022	6/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

39	6/1/2022	7/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
40	7/1/2022	8/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
41	8/1/2022	9/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
42	9/1/2022	10/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
43	10/1/2022	11/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
44	11/1/2022	12/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
45	12/1/2022	1/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
46	1/1/2023	2/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
47	2/1/2023	3/1/2023	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
48	3/1/2023	4/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
49	4/1/2023	5/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
50	5/1/2023	6/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
51	6/1/2023	7/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
52	7/1/2023	8/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
53	8/1/2023	9/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
54	9/1/2023	10/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
55	10/1/2023	11/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
56	11/1/2023	12/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
57	12/1/2023	1/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
58	1/1/2024	2/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
59	2/1/2024	3/1/2024	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
60	3/1/2024	4/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
61	4/1/2024	5/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
62	5/1/2024	6/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
63	6/1/2024	7/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
64	7/1/2024	8/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
65	8/1/2024	9/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
66	9/1/2024	10/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
67	10/1/2024	11/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
68	11/1/2024	12/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
69	12/1/2024	1/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
70	1/1/2025	2/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
71	2/1/2025	3/1/2025	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
72	3/1/2025	4/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
73	4/1/2025	5/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
74	5/1/2025	6/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
75	6/1/2025	7/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
76	7/1/2025	8/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
77	8/1/2025	9/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
78	9/1/2025	10/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
79	10/1/2025	11/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
80	11/1/2025	12/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
81	12/1/2025	1/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
82	1/1/2026	2/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

83	2/1/2026	3/1/2026	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
84	3/1/2026	3/29/2026	28.00	\$1,300,000.00	\$1,303,720.89	\$3,720.89	\$1,300,000.00	\$0.00

EXHIBIT B

FORM OF REQUISITION FROM CONSTRUCTION FUND

EXHIBIT B

FORM OF REQUISITION FROM CONSTRUCTION FUND

March 29, 2019

Boston Private Bank & Trust Company, as Bondholder
10 Post Office Square
Boston, Massachusetts 02109
Attention: Thatcher L. Freeborn, Senior Vice President

With a copy to:

Essex County Capital Resource Corporation
7566 Court Street
Elizabethtown, New York
Attention: Chief Executive Officer

Re: Certificate of Requisition Number 1

Ladies and Gentlemen:

This Certificate of Requisition is made pursuant to the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “**Bond Purchase and Loan Agreement**”), among Boston Private Bank & Trust Company (the “**Bondholder**”), the Essex County Capital Resource Corporation (the “**Issuer**”) and North Country School (the “**Institution**”), to make payment from the Construction Fund (as defined in the Bond Purchase and Loan Agreement) to the following party or parties, at the addresses indicated. All definitions in the Bond Purchase and Loan Agreement are hereby incorporated by reference.

All of the Institution’s representations, covenants and warranties contained in the Bond Purchase and Loan Agreement and the other Institution Documents were true and accurate in all material respects as of the date made, and remain true and accurate in all material respects as of the date of this Requisition Form, and the Institution has fully and satisfactorily performed all of its covenants and obligations to date required under the Bond Purchase and Loan Agreement and the other Bond Documents. No Default or Event of Default has occurred under the Bond Purchase and Loan Agreement or the other Institution Documents. All of the conditions contained in Sections 2.02 (Conditions Precedent to Closing) and 4.04 (Conditions Precedent to Making Disbursements) of the Bond Purchase and Loan Agreement and Section 6 of the Continuing Covenants Agreement have been satisfied.

The Institution understands that the Bondholder is relying on the certifications herein with regard to and in connection with approving the disbursement requested hereby.

The Bondholder may disburse funds based solely on the signature of an Authorized Officer of the Bondholder and the Institution. All documentation and attachments are to the satisfaction of the Institution and the Bondholder.

The Institution hereby requests that the above referenced sum be disbursed by you to us from the Construction Fund established and held by you under the Bond Purchase and Loan Agreement.

Attached as Schedule Number 1 is a general description of the costs of the renovation and equipping of and improvement to the Project and/or Costs of Issuance of the Bonds to be disbursed from the Project Fund covered by Schedule Number 1 to this Certificate of Requisition and the manner in which such payment is to be made.

In respect of the costs of acquiring, constructing, furnishing and equipping the Project described in Schedule Number 1 hereto, the Institution hereby certifies that: (1) each obligation paid or payable in connection therewith has been properly recorded on our books, (2) such cost is a proper charge against the Construction Fund, (3) such cost is not the basis of any previous withdrawal from the Construction Fund, (4) the payees and amounts set forth in Schedule Number 1 hereto are true and correct and each item of cost so stated is due and owing, (5) we have no knowledge of any vendor's lien, mechanic's lien or security interest which should be satisfied or discharged before payment herein requested is made or which will not be discharged by such payment, (6) each item of cost set forth in Schedule Number 1 hereto is permitted by the Tax Certificate and Agreement, (7) such cost will not result in less than ninety-five (95%) percent of the Net Proceeds (including any investment earnings thereon) being used for land or depreciable property, (8) each obligation marked with an asterisk and noted to be paid with the Bonds will not result in more than two (2%) percent of the Proceeds of the Bonds being used to pay Costs of Issuance, (9) the cost to us of the portion of the Costs of the Project covered by this Certificate of Requisition is not less than the amount to be paid to us hereunder, and (10) we are not in default under the Bond Purchase and Loan Agreement or any other Bond Document and that nothing has occurred to our knowledge that prevents performance of our obligations under the Bond Purchase and Loan Agreement or any other Bond Document.

We hereby request that the above-referenced sum be disbursed by you to us from the Construction Fund established and held by you under the Bond Purchase and Loan Agreement.

INSTITUTION:

NORTH COUNTRY SCHOOL

By: _____

Name: David Hochschartner

Title: Executive Director

[Signature page to Requisition]

EXHIBIT C

REPAYMENT SCHEDULE

Repayment Schedule

<u>Months</u>	<u>Payment Date</u>	<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>		
1	3/29/2019	5/1/2019	33.00	\$5,800,000.00	\$21,692.00	\$21,692.00	\$0.00	\$5,800,000.00
2	5/1/2019	6/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
3	6/1/2019	7/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
4	7/1/2019	8/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
5	8/1/2019	9/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
6	9/1/2019	10/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
7	10/1/2019	11/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
8	11/1/2019	12/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
9	12/1/2019	1/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
10	1/1/2020	2/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
11	2/1/2020	3/1/2020	29.00	\$5,800,000.00	\$19,062.67	\$19,062.67	\$0.00	\$5,800,000.00
12	3/1/2020	4/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
13	4/1/2020	5/1/2020	30.00	\$5,800,000.00	\$27,958.26	\$19,720.00	\$8,238.26	\$5,791,761.74
14	5/1/2020	6/1/2020	31.00	\$5,791,761.74	\$27,958.26	\$20,348.39	\$7,609.87	\$5,784,151.88
15	6/1/2020	7/1/2020	30.00	\$5,784,151.88	\$27,958.26	\$19,666.12	\$8,292.14	\$5,775,859.74
16	7/1/2020	8/1/2020	31.00	\$5,775,859.74	\$27,958.26	\$20,292.52	\$7,665.74	\$5,768,194.01
17	8/1/2020	9/1/2020	31.00	\$5,768,194.01	\$27,958.26	\$20,265.59	\$7,692.67	\$5,760,501.34
18	9/1/2020	10/1/2020	30.00	\$5,760,501.34	\$27,958.26	\$19,585.70	\$8,372.56	\$5,752,128.79
19	10/1/2020	11/1/2020	31.00	\$5,752,128.79	\$27,958.26	\$20,209.15	\$7,749.11	\$5,744,379.68
20	11/1/2020	12/1/2020	30.00	\$5,744,379.68	\$27,958.26	\$19,530.89	\$8,427.37	\$5,735,952.32
21	12/1/2020	1/1/2021	31.00	\$5,735,952.32	\$27,958.26	\$20,152.31	\$7,805.95	\$5,728,146.37
22	1/1/2021	2/1/2021	31.00	\$5,728,146.37	\$27,958.26	\$20,124.89	\$7,833.37	\$5,720,313.00
23	2/1/2021	3/1/2021	28.00	\$5,720,313.00	\$27,958.26	\$18,152.46	\$9,805.80	\$5,710,507.21
24	3/1/2021	4/1/2021	31.00	\$5,710,507.21	\$27,958.26	\$20,062.92	\$7,895.34	\$5,702,611.87
25	4/1/2021	5/1/2021	30.00	\$5,702,611.87	\$27,958.26	\$19,388.88	\$8,569.38	\$5,694,042.50
26	5/1/2021	6/1/2021	31.00	\$5,694,042.50	\$27,958.26	\$20,005.07	\$7,953.19	\$5,686,089.31
27	6/1/2021	7/1/2021	30.00	\$5,686,089.31	\$27,958.26	\$19,332.70	\$8,625.56	\$5,677,463.76
28	7/1/2021	8/1/2021	31.00	\$5,677,463.76	\$27,958.26	\$19,946.82	\$8,011.44	\$5,669,452.32
29	8/1/2021	9/1/2021	31.00	\$5,669,452.32	\$27,958.26	\$19,918.68	\$8,039.58	\$5,661,412.74
30	9/1/2021	10/1/2021	30.00	\$5,661,412.74	\$27,958.26	\$19,248.80	\$8,709.46	\$5,652,703.29
31	10/1/2021	11/1/2021	31.00	\$5,652,703.29	\$27,958.26	\$19,859.83	\$8,098.43	\$5,644,604.86
32	11/1/2021	12/1/2021	30.00	\$5,644,604.86	\$27,958.26	\$19,191.66	\$8,766.60	\$5,635,838.27
33	12/1/2021	1/1/2022	31.00	\$5,635,838.27	\$27,958.26	\$19,800.58	\$8,157.68	\$5,627,680.59
34	1/1/2022	2/1/2022	31.00	\$5,627,680.59	\$27,958.26	\$19,771.92	\$8,186.34	\$5,619,494.26
35	2/1/2022	3/1/2022	28.00	\$5,619,494.26	\$27,958.26	\$17,832.53	\$10,125.73	\$5,609,368.53
36	3/1/2022	4/1/2022	31.00	\$5,609,368.53	\$27,958.26	\$19,707.58	\$8,250.68	\$5,601,117.86

37	4/1/2022	5/1/2022	30.00	\$5,601,117.86	\$27,958.26	\$19,043.80	\$8,914.46	\$5,592,203.40
38	5/1/2022	6/1/2022	31.00	\$5,592,203.40	\$27,958.26	\$19,647.27	\$8,310.99	\$5,583,892.41
39	6/1/2022	7/1/2022	30.00	\$5,583,892.41	\$27,958.26	\$18,985.23	\$8,973.03	\$5,574,919.39
40	7/1/2022	8/1/2022	31.00	\$5,574,919.39	\$27,958.26	\$19,586.55	\$8,371.71	\$5,566,547.68
41	8/1/2022	9/1/2022	31.00	\$5,566,547.68	\$27,958.26	\$19,557.14	\$8,401.12	\$5,558,146.57
42	9/1/2022	10/1/2022	30.00	\$5,558,146.57	\$27,958.26	\$18,897.70	\$9,060.56	\$5,549,086.01
43	10/1/2022	11/1/2022	31.00	\$5,549,086.01	\$27,958.26	\$19,495.79	\$8,462.47	\$5,540,623.55
44	11/1/2022	12/1/2022	30.00	\$5,540,623.55	\$27,958.26	\$18,838.12	\$9,120.14	\$5,531,503.41
45	12/1/2022	1/1/2023	31.00	\$5,531,503.41	\$27,958.26	\$19,434.02	\$8,524.24	\$5,522,979.18
46	1/1/2023	2/1/2023	31.00	\$5,522,979.18	\$27,958.26	\$19,404.07	\$8,554.19	\$5,514,424.99
47	2/1/2023	3/1/2023	28.00	\$5,514,424.99	\$27,958.26	\$17,499.11	\$10,459.15	\$5,503,965.84
48	3/1/2023	4/1/2023	31.00	\$5,503,965.84	\$27,958.26	\$19,337.27	\$8,620.99	\$5,495,344.86
49	4/1/2023	5/1/2023	30.00	\$5,495,344.86	\$27,958.26	\$18,684.17	\$9,274.09	\$5,486,070.77
50	5/1/2023	6/1/2023	31.00	\$5,486,070.77	\$27,958.26	\$19,274.40	\$8,683.86	\$5,477,386.92
51	6/1/2023	7/1/2023	30.00	\$5,477,386.92	\$27,958.26	\$18,623.12	\$9,335.14	\$5,468,051.78
52	7/1/2023	8/1/2023	31.00	\$5,468,051.78	\$27,958.26	\$19,211.09	\$8,747.17	\$5,459,304.62
53	8/1/2023	9/1/2023	31.00	\$5,459,304.62	\$27,958.26	\$19,180.36	\$8,777.90	\$5,450,526.72
54	9/1/2023	10/1/2023	30.00	\$5,450,526.72	\$27,958.26	\$18,531.79	\$9,426.47	\$5,441,100.26
55	10/1/2023	11/1/2023	31.00	\$5,441,100.26	\$27,958.26	\$19,116.40	\$8,841.86	\$5,432,258.40
56	11/1/2023	12/1/2023	30.00	\$5,432,258.40	\$27,958.26	\$18,469.68	\$9,488.58	\$5,422,769.82
57	12/1/2023	1/1/2024	31.00	\$5,422,769.82	\$27,958.26	\$19,052.00	\$8,906.26	\$5,413,863.57
58	1/1/2024	2/1/2024	31.00	\$5,413,863.57	\$27,958.26	\$19,020.71	\$8,937.55	\$5,404,926.02
59	2/1/2024	3/1/2024	29.00	\$5,404,926.02	\$27,958.26	\$17,764.19	\$10,194.07	\$5,394,731.96
60	3/1/2024	4/1/2024	31.00	\$5,394,731.96	\$27,958.26	\$18,953.49	\$9,004.77	\$5,385,727.19
61	4/1/2024	5/1/2024	30.00	\$5,385,727.19	\$27,958.26	\$18,311.47	\$9,646.79	\$5,376,080.41
62	5/1/2024	6/1/2024	31.00	\$5,376,080.41	\$27,958.26	\$18,887.96	\$9,070.30	\$5,367,010.11
63	6/1/2024	7/1/2024	30.00	\$5,367,010.11	\$27,958.26	\$18,247.83	\$9,710.43	\$5,357,299.68
64	7/1/2024	8/1/2024	31.00	\$5,357,299.68	\$27,958.26	\$18,821.98	\$9,136.28	\$5,348,163.41
65	8/1/2024	9/1/2024	31.00	\$5,348,163.41	\$27,958.26	\$18,789.88	\$9,168.38	\$5,338,995.03
66	9/1/2024	10/1/2024	30.00	\$5,338,995.03	\$27,958.26	\$18,152.58	\$9,805.68	\$5,329,189.36
67	10/1/2024	11/1/2024	31.00	\$5,329,189.36	\$27,958.26	\$18,723.22	\$9,235.04	\$5,319,954.32
68	11/1/2024	12/1/2024	30.00	\$5,319,954.32	\$27,958.26	\$18,087.84	\$9,870.42	\$5,310,083.91
69	12/1/2024	1/1/2025	31.00	\$5,310,083.91	\$27,958.26	\$18,656.09	\$9,302.17	\$5,300,781.74
70	1/1/2025	2/1/2025	31.00	\$5,300,781.74	\$27,958.26	\$18,623.41	\$9,334.85	\$5,291,446.90
71	2/1/2025	3/1/2025	28.00	\$5,291,446.90	\$27,958.26	\$16,791.52	\$11,166.74	\$5,280,280.16
72	3/1/2025	4/1/2025	31.00	\$5,280,280.16	\$27,958.26	\$18,551.38	\$9,406.88	\$5,270,873.28
73	4/1/2025	5/1/2025	30.00	\$5,270,873.28	\$27,958.26	\$17,920.97	\$10,037.29	\$5,260,836.00
74	5/1/2025	6/1/2025	31.00	\$5,260,836.00	\$27,958.26	\$18,483.07	\$9,475.19	\$5,251,360.81
75	6/1/2025	7/1/2025	30.00	\$5,251,360.81	\$27,958.26	\$17,854.63	\$10,103.63	\$5,241,257.19
76	7/1/2025	8/1/2025	31.00	\$5,241,257.19	\$27,958.26	\$18,414.28	\$9,543.98	\$5,231,713.21
77	8/1/2025	9/1/2025	31.00	\$5,231,713.21	\$27,958.26	\$18,380.75	\$9,577.51	\$5,222,135.71
78	9/1/2025	10/1/2025	30.00	\$5,222,135.71	\$27,958.26	\$17,755.26	\$10,203.00	\$5,211,932.71
79	10/1/2025	11/1/2025	31.00	\$5,211,932.71	\$27,958.26	\$18,311.26	\$9,647.00	\$5,202,285.72
80	11/1/2025	12/1/2025	30.00	\$5,202,285.72	\$27,958.26	\$17,687.77	\$10,270.49	\$5,192,015.23

81	12/1/2025	1/1/2026	31.00	\$5,192,015.23	\$27,958.26	\$18,241.28	\$9,716.98	\$5,182,298.25
82	1/1/2026	2/1/2026	31.00	\$5,182,298.25	\$27,958.26	\$18,207.14	\$9,751.12	\$5,172,547.14
83	2/1/2026	3/1/2026	28.00	\$5,172,547.14	\$27,958.26	\$16,414.22	\$11,544.04	\$5,161,003.10
84	3/1/2026	4/1/2026	31.00	\$5,161,003.10	\$27,958.26	\$18,132.32	\$9,825.94	\$5,151,177.17
85	4/1/2026	5/1/2026	30.00	\$5,151,177.17	\$27,958.26	\$17,514.00	\$10,444.26	\$5,140,732.91
86	5/1/2026	6/1/2026	31.00	\$5,140,732.91	\$27,958.26	\$18,061.11	\$9,897.15	\$5,130,835.77
87	6/1/2026	7/1/2026	30.00	\$5,130,835.77	\$27,958.26	\$17,444.84	\$10,513.42	\$5,120,322.35
88	7/1/2026	8/1/2026	31.00	\$5,120,322.35	\$27,958.26	\$17,989.40	\$9,968.86	\$5,110,353.49
89	8/1/2026	9/1/2026	31.00	\$5,110,353.49	\$27,958.26	\$17,954.38	\$10,003.88	\$5,100,349.62
90	9/1/2026	10/1/2026	30.00	\$5,100,349.62	\$27,958.26	\$17,341.19	\$10,617.07	\$5,089,732.55
91	10/1/2026	11/1/2026	31.00	\$5,089,732.55	\$27,958.26	\$17,881.93	\$10,076.33	\$5,079,656.23
92	11/1/2026	12/1/2026	30.00	\$5,079,656.23	\$27,958.26	\$17,270.83	\$10,687.43	\$5,068,968.80
93	12/1/2026	1/1/2027	31.00	\$5,068,968.80	\$27,958.26	\$17,808.98	\$10,149.28	\$5,058,819.53
94	1/1/2027	2/1/2027	31.00	\$5,058,819.53	\$27,958.26	\$17,773.32	\$10,184.94	\$5,048,634.59
95	2/1/2027	3/1/2027	28.00	\$5,048,634.59	\$27,958.26	\$16,021.00	\$11,937.26	\$5,036,697.34
96	3/1/2027	4/1/2027	31.00	\$5,036,697.34	\$27,958.26	\$17,695.60	\$10,262.66	\$5,026,434.68
97	4/1/2027	5/1/2027	30.00	\$5,026,434.68	\$27,958.26	\$17,089.88	\$10,868.38	\$5,015,566.30
98	5/1/2027	6/1/2027	31.00	\$5,015,566.30	\$27,958.26	\$17,621.36	\$10,336.90	\$5,005,229.41
99	6/1/2027	7/1/2027	30.00	\$5,005,229.41	\$27,958.26	\$17,017.78	\$10,940.48	\$4,994,288.93
100	7/1/2027	8/1/2027	31.00	\$4,994,288.93	\$27,958.26	\$17,546.60	\$10,411.66	\$4,983,877.28
101	8/1/2027	9/1/2027	31.00	\$4,983,877.28	\$27,958.26	\$17,510.02	\$10,448.24	\$4,973,429.04
102	9/1/2027	10/1/2027	30.00	\$4,973,429.04	\$27,958.26	\$16,909.66	\$11,048.60	\$4,962,380.45
103	10/1/2027	11/1/2027	31.00	\$4,962,380.45	\$27,958.26	\$17,434.50	\$10,523.76	\$4,951,856.69
104	11/1/2027	12/1/2027	30.00	\$4,951,856.69	\$27,958.26	\$16,836.31	\$11,121.95	\$4,940,734.75
105	12/1/2027	1/1/2028	31.00	\$4,940,734.75	\$27,958.26	\$17,358.45	\$10,599.81	\$4,930,134.94
106	1/1/2028	2/1/2028	31.00	\$4,930,134.94	\$27,958.26	\$17,321.21	\$10,637.05	\$4,919,497.89
107	2/1/2028	3/1/2028	29.00	\$4,919,497.89	\$27,958.26	\$16,168.75	\$11,789.51	\$4,907,708.39
108	3/1/2028	4/1/2028	31.00	\$4,907,708.39	\$27,958.26	\$17,242.42	\$10,715.84	\$4,896,992.55
109	4/1/2028	5/1/2028	30.00	\$4,896,992.55	\$27,958.26	\$16,649.77	\$11,308.49	\$4,885,684.07
110	5/1/2028	6/1/2028	31.00	\$4,885,684.07	\$27,958.26	\$17,165.04	\$10,793.22	\$4,874,890.85
111	6/1/2028	7/1/2028	30.00	\$4,874,890.85	\$27,958.26	\$16,574.63	\$11,383.63	\$4,863,507.23
112	7/1/2028	8/1/2028	31.00	\$4,863,507.23	\$27,958.26	\$17,087.12	\$10,871.14	\$4,852,636.09
113	8/1/2028	9/1/2028	31.00	\$4,852,636.09	\$27,958.26	\$17,048.93	\$10,909.33	\$4,841,726.77
114	9/1/2028	10/1/2028	30.00	\$4,841,726.77	\$27,958.26	\$16,461.87	\$11,496.39	\$4,830,230.38
115	10/1/2028	11/1/2028	31.00	\$4,830,230.38	\$27,958.26	\$16,970.21	\$10,988.05	\$4,819,242.33
116	11/1/2028	12/1/2028	30.00	\$4,819,242.33	\$27,958.26	\$16,385.42	\$11,572.84	\$4,807,669.50
117	12/1/2028	1/1/2029	31.00	\$4,807,669.50	\$27,958.26	\$16,890.95	\$11,067.31	\$4,796,602.19
118	1/1/2029	2/1/2029	31.00	\$4,796,602.19	\$27,958.26	\$16,852.06	\$11,106.20	\$4,785,496.00
119	2/1/2029	3/1/2029	28.00	\$4,785,496.00	\$27,958.26	\$15,185.97	\$12,772.29	\$4,772,723.71
120	3/1/2029	4/1/2029	31.00	\$4,772,723.71	\$27,958.26	\$16,768.17	\$11,190.09	\$4,761,533.63
121	4/1/2029	5/1/2029	30.00	\$4,761,533.63	\$27,958.26	\$16,189.21	\$11,769.05	\$4,749,764.58
122	5/1/2029	6/1/2029	31.00	\$4,749,764.58	\$27,958.26	\$16,687.51	\$11,270.75	\$4,738,493.83
123	6/1/2029	7/1/2029	30.00	\$4,738,493.83	\$27,958.26	\$16,110.88	\$11,847.38	\$4,726,646.46
124	7/1/2029	8/1/2029	31.00	\$4,726,646.46	\$27,958.26	\$16,606.28	\$11,351.98	\$4,715,294.48

125	8/1/2029	9/1/2029	31.00	\$4,715,294.48	\$27,958.26	\$16,566.40	\$11,391.86	\$4,703,902.63
126	9/1/2029	10/1/2029	30.00	\$4,703,902.63	\$27,958.26	\$15,993.27	\$11,964.99	\$4,691,937.64
127	10/1/2029	11/1/2029	31.00	\$4,691,937.64	\$27,958.26	\$16,484.34	\$11,473.92	\$4,680,463.73
128	11/1/2029	12/1/2029	30.00	\$4,680,463.73	\$27,958.26	\$15,913.58	\$12,044.68	\$4,668,419.05
129	12/1/2029	1/1/2030	31.00	\$4,668,419.05	\$27,958.26	\$16,401.71	\$11,556.55	\$4,656,862.51
130	1/1/2030	2/1/2030	31.00	\$4,656,862.51	\$27,958.26	\$16,361.11	\$11,597.15	\$4,645,265.36
131	2/1/2030	3/1/2030	28.00	\$4,645,265.36	\$27,958.26	\$14,740.98	\$13,217.28	\$4,632,048.08
132	3/1/2030	4/1/2030	31.00	\$4,632,048.08	\$27,958.26	\$16,273.93	\$11,684.33	\$4,620,363.76
133	4/1/2030	5/1/2030	30.00	\$4,620,363.76	\$27,958.26	\$15,709.24	\$12,249.02	\$4,608,114.74
134	5/1/2030	6/1/2030	31.00	\$4,608,114.74	\$27,958.26	\$16,189.84	\$11,768.42	\$4,596,346.33
135	6/1/2030	7/1/2030	30.00	\$4,596,346.33	\$27,958.26	\$15,627.58	\$12,330.68	\$4,584,015.65
136	7/1/2030	8/1/2030	31.00	\$4,584,015.65	\$27,958.26	\$16,105.17	\$11,853.09	\$4,572,162.57
137	8/1/2030	9/1/2030	31.00	\$4,572,162.57	\$27,958.26	\$16,063.53	\$11,894.73	\$4,560,267.84
138	9/1/2030	10/1/2030	30.00	\$4,560,267.84	\$27,958.26	\$15,504.91	\$12,453.35	\$4,547,814.50
139	10/1/2030	11/1/2030	31.00	\$4,547,814.50	\$27,958.26	\$15,977.99	\$11,980.27	\$4,535,834.23
140	11/1/2030	12/1/2030	30.00	\$4,535,834.23	\$27,958.26	\$15,421.84	\$12,536.42	\$4,523,297.81
141	12/1/2030	1/1/2031	31.00	\$4,523,297.81	\$27,958.26	\$15,891.85	\$12,066.41	\$4,511,231.41
142	1/1/2031	2/1/2031	31.00	\$4,511,231.41	\$27,958.26	\$15,849.46	\$12,108.80	\$4,499,122.61
143	2/1/2031	3/1/2031	28.00	\$4,499,122.61	\$27,958.26	\$14,277.22	\$13,681.04	\$4,485,441.58
144	3/1/2031	4/1/2031	31.00	\$4,485,441.58	\$27,958.26	\$15,758.85	\$12,199.41	\$4,473,242.17
145	4/1/2031	5/1/2031	30.00	\$4,473,242.17	\$27,958.26	\$15,209.02	\$12,749.24	\$4,460,492.94
146	5/1/2031	6/1/2031	31.00	\$4,460,492.94	\$27,958.26	\$15,671.20	\$12,287.06	\$4,448,205.88
147	6/1/2031	7/1/2031	30.00	\$4,448,205.88	\$27,958.26	\$15,123.90	\$12,834.36	\$4,435,371.53
148	7/1/2031	8/1/2031	31.00	\$4,435,371.53	\$27,958.26	\$15,582.94	\$12,375.32	\$4,422,996.21
149	8/1/2031	9/1/2031	31.00	\$4,422,996.21	\$27,958.26	\$15,539.46	\$12,418.80	\$4,410,577.41
150	9/1/2031	10/1/2031	30.00	\$4,410,577.41	\$27,958.26	\$14,995.96	\$12,962.30	\$4,397,615.12
151	10/1/2031	11/1/2031	31.00	\$4,397,615.12	\$27,958.26	\$15,450.29	\$12,507.97	\$4,385,107.15
152	11/1/2031	12/1/2031	30.00	\$4,385,107.15	\$27,958.26	\$14,909.36	\$13,048.90	\$4,372,058.26
153	12/1/2031	1/1/2032	31.00	\$4,372,058.26	\$27,958.26	\$15,360.50	\$12,597.76	\$4,359,460.50
154	1/1/2032	2/1/2032	31.00	\$4,359,460.50	\$27,958.26	\$15,316.24	\$12,642.02	\$4,346,818.49
155	2/1/2032	3/1/2032	29.00	\$4,346,818.49	\$27,958.26	\$14,286.54	\$13,671.72	\$4,333,146.77
156	3/1/2032	4/1/2032	31.00	\$4,333,146.77	\$27,958.26	\$15,223.79	\$12,734.47	\$4,320,412.30
157	4/1/2032	5/1/2032	30.00	\$4,320,412.30	\$27,958.26	\$14,689.40	\$13,268.86	\$4,307,143.45
158	5/1/2032	6/1/2032	31.00	\$4,307,143.45	\$27,958.26	\$15,132.43	\$12,825.83	\$4,294,317.62
159	6/1/2032	7/1/2032	30.00	\$4,294,317.62	\$27,958.26	\$14,600.68	\$13,357.58	\$4,280,960.05
160	7/1/2032	8/1/2032	31.00	\$4,280,960.05	\$27,958.26	\$15,040.44	\$12,917.82	\$4,268,042.23
161	8/1/2032	9/1/2032	31.00	\$4,268,042.23	\$27,958.26	\$14,995.06	\$12,963.20	\$4,255,079.04
162	9/1/2032	10/1/2032	30.00	\$4,255,079.04	\$27,958.26	\$14,467.27	\$13,490.99	\$4,241,588.05
163	10/1/2032	11/1/2032	31.00	\$4,241,588.05	\$27,958.26	\$14,902.11	\$13,056.15	\$4,228,531.91
164	11/1/2032	12/1/2032	30.00	\$4,228,531.91	\$27,958.26	\$14,377.01	\$13,581.25	\$4,214,950.66
165	12/1/2032	1/1/2033	31.00	\$4,214,950.66	\$27,958.26	\$14,808.53	\$13,149.73	\$4,201,800.93
166	1/1/2033	2/1/2033	31.00	\$4,201,800.93	\$27,958.26	\$14,762.33	\$13,195.93	\$4,188,605.01
167	2/1/2033	3/1/2033	28.00	\$4,188,605.01	\$27,958.26	\$13,291.84	\$14,666.42	\$4,173,938.59
168	3/1/2033	4/1/2033	31.00	\$4,173,938.59	\$27,958.26	\$14,664.44	\$13,293.82	\$4,160,644.78

169	4/1/2033	5/1/2033	30.00	\$4,160,644.78	\$27,958.26	\$14,146.19	\$13,812.07	\$4,146,832.71
170	5/1/2033	6/1/2033	31.00	\$4,146,832.71	\$27,958.26	\$14,569.21	\$13,389.05	\$4,133,443.67
171	6/1/2033	7/1/2033	30.00	\$4,133,443.67	\$27,958.26	\$14,053.71	\$13,904.55	\$4,119,539.12
172	7/1/2033	8/1/2033	31.00	\$4,119,539.12	\$27,958.26	\$14,473.31	\$13,484.95	\$4,106,054.18
173	8/1/2033	9/1/2033	31.00	\$4,106,054.18	\$27,958.26	\$14,425.94	\$13,532.32	\$4,092,521.86
174	9/1/2033	10/1/2033	30.00	\$4,092,521.86	\$27,958.26	\$13,914.57	\$14,043.69	\$4,078,478.17
175	10/1/2033	11/1/2033	31.00	\$4,078,478.17	\$27,958.26	\$14,329.05	\$13,629.21	\$4,064,848.97
176	11/1/2033	12/1/2033	30.00	\$4,064,848.97	\$27,958.26	\$13,820.49	\$14,137.77	\$4,050,711.20
177	12/1/2033	1/1/2034	31.00	\$4,050,711.20	\$27,958.26	\$14,231.50	\$13,726.76	\$4,036,984.45
178	1/1/2034	2/1/2034	31.00	\$4,036,984.45	\$27,958.26	\$14,183.27	\$13,774.99	\$4,023,209.46
179	2/1/2034	3/1/2034	28.00	\$4,023,209.46	\$27,958.26	\$12,766.98	\$15,191.28	\$4,008,018.19
180	3/1/2034	3/29/2034	28.00	\$4,008,018.19	\$4,020,736.97	\$12,718.78	\$4,008,018.19	\$0.00

Repayment Schedule

<u>Months</u>	<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>	
1	3/29/2019	5/1/2019	33.00	\$1,300,000.00	\$4,385.33	\$4,385.33	\$0.00	\$1,300,000.00
2	5/1/2019	6/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
3	6/1/2019	7/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
4	7/1/2019	8/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
5	8/1/2019	9/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
6	9/1/2019	10/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
7	10/1/2019	11/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
8	11/1/2019	12/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
9	12/1/2019	1/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
10	1/1/2020	2/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
11	2/1/2020	3/1/2020	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
12	3/1/2020	4/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
13	4/1/2020	5/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
14	5/1/2020	6/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
15	6/1/2020	7/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
16	7/1/2020	8/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
17	8/1/2020	9/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
18	9/1/2020	10/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
19	10/1/2020	11/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
20	11/1/2020	12/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
21	12/1/2020	1/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
22	1/1/2021	2/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
23	2/1/2021	3/1/2021	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
24	3/1/2021	4/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
25	4/1/2021	5/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
26	5/1/2021	6/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
27	6/1/2021	7/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
28	7/1/2021	8/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
29	8/1/2021	9/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
30	9/1/2021	10/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
31	10/1/2021	11/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
32	11/1/2021	12/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
33	12/1/2021	1/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
34	1/1/2022	2/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
35	2/1/2022	3/1/2022	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
36	3/1/2022	4/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
37	4/1/2022	5/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
38	5/1/2022	6/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

39	6/1/2022	7/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
40	7/1/2022	8/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
41	8/1/2022	9/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
42	9/1/2022	10/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
43	10/1/2022	11/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
44	11/1/2022	12/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
45	12/1/2022	1/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
46	1/1/2023	2/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
47	2/1/2023	3/1/2023	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
48	3/1/2023	4/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
49	4/1/2023	5/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
50	5/1/2023	6/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
51	6/1/2023	7/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
52	7/1/2023	8/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
53	8/1/2023	9/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
54	9/1/2023	10/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
55	10/1/2023	11/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
56	11/1/2023	12/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
57	12/1/2023	1/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
58	1/1/2024	2/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
59	2/1/2024	3/1/2024	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
60	3/1/2024	4/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
61	4/1/2024	5/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
62	5/1/2024	6/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
63	6/1/2024	7/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
64	7/1/2024	8/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
65	8/1/2024	9/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
66	9/1/2024	10/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
67	10/1/2024	11/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
68	11/1/2024	12/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
69	12/1/2024	1/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
70	1/1/2025	2/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
71	2/1/2025	3/1/2025	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
72	3/1/2025	4/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
73	4/1/2025	5/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
74	5/1/2025	6/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
75	6/1/2025	7/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
76	7/1/2025	8/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
77	8/1/2025	9/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
78	9/1/2025	10/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
79	10/1/2025	11/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
80	11/1/2025	12/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
81	12/1/2025	1/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
82	1/1/2026	2/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

83	2/1/2026	3/1/2026	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
84	3/1/2026	3/29/2026	28.00	\$1,300,000.00	\$1,303,720.89	\$3,720.89	\$1,300,000.00	\$0.00

EXHIBIT D
FORM OF MORTGAGE

**MORTGAGE,
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

MADE BY

**NORTH COUNTRY SCHOOL,
as Mortgagor**

to

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION,
as Mortgagee**

Dated as of: March 29, 2019

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION
NORTH COUNTRY SCHOOL REVENUE BONDS
SERIES 2019A AND SERIES 2019B**

**PREPARED BY AND UPON RECORDATION RETURN TO:
Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.**

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of March 29, 2019, by and among NORTH COUNTRY SCHOOL, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 ("Mortgagor" or the "Institution") in favor of ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 (with its successors and assigns, "Mortgagee" or the "Issuer").

1. **Grant and Secured Obligations.**

1.1 Grant. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2 below, Mortgagor hereby irrevocably and unconditionally grants, bargains, sells, conveys, mortgages and warrants to Mortgagee, with power of sale and with right of entry and possession, all estate, right, title and interest which Mortgagor now has or may later acquire in and to the following properties (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"): (a) the real property located in the Village of Lake Placid, Essex County, State of New York, as described in **Exhibit A**, together with all existing and future easements and rights affording access to it (the "Land"); together with (b) all buildings, structures and improvements now located or later to be constructed on the Land (the "Improvements"); together with (c) all existing and future appurtenances, privileges, easements, franchises and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any Land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and the Improvements; together with (d) all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions (the "Leases") relating to the use and enjoyment of all or any part of the Land and the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; together with (e) all real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in **Exhibit A** or not, which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and the Improvements; together with (f) all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and the Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Mortgage and any manufacturer's warranties with respect thereto; together with (g) all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or the Improvements; together with (h) all of Mortgagor's interest in and to all operating accounts, the

proceeds of the Bonds (as hereinafter defined), whether disbursed or not, and any other bank accounts of Mortgagor; together with (i) all rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Mortgagor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Mortgagee), which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and the Improvements generally and any builder's or manufacturer's warranties with respect thereto; together with (j) all insurance policies pertaining to the Land and all proceeds that are payable to the Mortgagor, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with (k) all of Mortgagor's rights in and to all Interest Rate Agreements (as hereinafter defined); (l) all books and records pertaining to any and all of the property described above, including computer-readable memory and any computer hardware or software necessary to access and process such memory (collectively, "Books and Records"); together with (m) all proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above. Capitalized terms used above and elsewhere in this Mortgage without definition have the meanings given them in the Covenants Agreement referred to in Subsection 1.2(a)(i) below.

1.2 Secured Obligations.

(a) Mortgagor makes the grant, conveyance, and mortgage set forth in Section 1.1 above, and grants the security interest set forth in Section 3 below for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Mortgagee may choose:

(i) Payment of all obligations at any time owing by the Institution under the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Loan Agreement"), by and among the Issuer, the Institution and Boston Private Bank & Trust Company (the "Bank"), as purchaser of the Bonds, pursuant to which the Issuer shall loan to the Institution the proceeds of Seven Million One Hundred Thousand and 00/100 Dollars (\$7,100,000.00) in aggregate principal amount of the Issuer's North Country School Revenue Bonds, Series 2019A and Series 2019B (the "Bonds"), and the Continuing Covenants Agreement, dated as of March 29, 2019 (the "Covenants Agreement"), by and between the Institution and the Bank, executed in connection with the issuance of the Bonds; and

(ii) Payment and performance of all obligations of the Institution under this Mortgage; and

(iii) Payment and performance of any obligations of the Institution under any other Financing Documents which are executed by the Institution; and

(iv) Payment and performance of all obligations of the Institution arising from any Interest Rate Agreements, if any. “Interest Rate Agreements” shall mean an interest rate hedging program through the purchase by the Institution from the Bank of an interest rate swap, cap or such other interest rate protection product; and

(v) Payment and performance of all future advances and other obligations that the Institution or any successor in ownership of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee or the Bank; and

(vi) Payment and performance of all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations.

(b) Following the recording of the Mortgage in accordance with the Covenants Agreement, all persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions pursuant to which the interest rate on one or more of the Secured Obligations may vary from time to time.

2. **Assignment of Rents.**

2.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee all rents, royalties, issues, profits, revenue, income, accounts, proceeds and other benefits of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits (some or all collectively, as the context may require, “Rents”). This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Mortgagee hereby confers upon the Institution a license (the “License”) to collect and retain the Rents as they become due and payable, so long as no Event of Default (as defined in Section 6.2 below) has occurred that has not been waived. If an Event of Default has occurred that has not been waived, Mortgagee shall have the right, which it may choose to exercise in its sole discretion, to terminate the License without notice to or demand upon Mortgagor, and without regard to the adequacy of Mortgagee’s security under this Mortgage.

2.3 Collection and Application of Rents. Subject to the License granted to the Institution under Section 2.2 above, Mortgagee has the right, power and authority to collect any and all Rents. The Institution hereby appoints Mortgagee its attorney-in-fact to perform any and all of the following acts, if and at the times following the occurrence of an Event of Default when Mortgagee in its sole discretion may so choose:

(a) demand, receive and enforce payment of any and all Rents; or (b) give receipts, releases and satisfactions for any and all Rents; or (c) sue either in the name of Mortgagor or in the name of Mortgagee for any and all Rents. Mortgagee and the Institution agree that the mere recordation of the assignment granted herein entitles Mortgagee immediately to collect and receive rents upon the occurrence of an Event of Default, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing notice to the Institution, filing foreclosure proceedings, or seeking and/or obtaining the appointment of a receiver. Further, Mortgagee's right to the Rents does not depend on whether or not Mortgagee takes possession of the Property as permitted under Subsection 6.3(c). In Mortgagee's sole discretion, Mortgagee may choose to collect Rents either with or without taking possession of the Property. Mortgagee shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default occurs while Mortgagee is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Mortgagee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

2.4 Mortgagee Not Responsible. Under no circumstances shall Mortgagee have any duty to produce Rents from the Property. Regardless of whether or not Mortgagee, in person or by agent, takes actual possession of the Property, unless Mortgagee agrees in writing to the contrary, Mortgagee is not and shall not be deemed to be: (a) a "mortgagee in possession" for any purpose; or (b) responsible for performing any of the obligations of the lessor under any lease; or (c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or (d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

2.5 Leasing. Mortgagor shall not accept any deposit or prepayment of rents under any Leases for any rental period exceeding one (1) month without Mortgagee's prior written consent. Mortgagor shall not lease the Property or any part of it except in accordance with the Covenants Agreement.

3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Mortgage to create a lien on the Property, and an absolute assignment of the Rents, all in favor of Mortgagee. The parties acknowledge that some of the Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be or be determined to be personal property, Mortgagor as debtor hereby grants Mortgagee as secured party a security interest in all such Property and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of New York (the "UCC"), covering all such Property and Rents.

3.2 Financing Statements. Mortgagor shall prepare one or more financing statements and such other documents as Mortgagee may from time to time require to perfect or continue the perfection of Mortgagee's security interest in any Property or the Rents. As provided in Section 5.9 below, Mortgagor shall pay all fees and costs that Mortgagee may incur in filing such

documents in public offices and in obtaining such record searches as Mortgagee may reasonably require. In case Mortgagor fails to prepare any financing statements or other documents for the perfection or continuation of any security interest, Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact to prepare any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Mortgage or the rights or obligations of the parties under it. Notwithstanding anything to the contrary herein, neither this Mortgage nor any financing statement described herein shall be recorded or filed except following a Mortgage Recordation Event in accordance with the Covenants Agreement.

4. **Fixture Filing.**

Upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage constitutes a financing statement filed as a fixture filing under Article 9 of the UCC, as amended or recodified from time to time, covering any Property which now is or later may become fixtures attached to the Land or the Improvements. For this purpose, the respective addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are as set forth in the preambles of this Mortgage.

5. **Rights and Duties of the Parties.**

5.1 **Representations and Warranties.** Mortgagor represents and warrants that as of the date hereof:

(a) Mortgagor lawfully possesses and holds fee simple title to all of the Land and the Improvements;

(b) Mortgagor has or will have good title to all Property;

(c) Mortgagor has the full and unlimited power, right and authority to encumber the Property and assign the Rents pursuant to this Mortgage;

(d) To the best knowledge of the Mortgagor, upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage will create a first and prior lien on the Property located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, Essex County, State of New York;

(e) The Property includes all property and rights which may be reasonably necessary or desirable to promote the present use and enjoyment of the Land and the Improvements;

(f) Except for the Permitted Liens, Mortgagor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office; and

(g) Mortgagor's place of business, or its chief executive office if it has more than one place of business, is located at the address specified in Section 7.10 below.

5.2 Taxes, and Assessments. Mortgagor shall pay prior to delinquency all taxes, levies, charges and assessments, in accordance with the Covenants Agreement.

5.3 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 Liens, Charges and Encumbrances. Except for the encumbrances listed on **Exhibit A** attached hereto (the "Permitted Encumbrances"), Mortgagor shall immediately discharge any lien on the Property which Mortgagee has not consented to in writing in accordance with the Covenants Agreement.

5.5 Damages and Insurance and Condemnation Proceeds. In the event of any casualty or condemnation of the Property, the provisions of the Loan Agreement shall govern.

5.6 Maintenance and Preservation of Property.

(a) Mortgagor shall insure the Property as required by the Loan Agreement and the Covenants Agreement and keep the Property in good condition and repair.

(b) Mortgagor shall not remove or demolish the Property or any part of it, or alter, restore or add to the Property, or initiate or acquiesce to any change or variance in any zoning or other Land use classification which affects the Property or any part of it, except with Mortgagee's express prior written consent in each instance.

(c) If all or part of the Property becomes damaged or destroyed, Mortgagor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Mortgagee agrees to disburse proceeds of the Bonds or other sums to pay costs of the work of repair or reconstruction under the Loan Agreement; provided, however, that Mortgagee shall permit Mortgagor to utilize any insurance proceeds paid in connection with such damage or destruction to perform such repairs and reconstruction.

(d) Mortgagor shall not commit or allow any act upon or use of the Property which would violate: (i) any applicable laws or order of any governmental authority, whether now existing or later to be enacted and whether foreseen or unforeseen; or (ii) any public or private covenant, condition, restriction or equitable servitude affecting the Property. Mortgagor shall not bring or keep any article on the Property or cause or allow any condition to exist on it, if that would invalidate or be prohibited by any insurance coverage required to be maintained by Mortgagor on the Property or any part of it under the Loan Agreement or the Covenants Agreement.

(e) Mortgagor shall not commit or allow waste of the Property.

(f) Mortgagor shall perform all other reasonable acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value.

5.7 Releases, Extensions, Modifications and Additional Security. From time to time, Mortgagee may perform any of the following acts without incurring any liability or giving notice to any person:

- (a) Release any person liable for payment of any Secured Obligation;
- (b) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
- (c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;
- (d) Alter, substitute or release any property securing the Secured Obligations, except for the disposal of obsolete property in the ordinary course of operations;
- (e) Consent to the making of any plat or map of the Property or any part of it;
- (f) Join in granting any easement or creating any restriction affecting the Property; or
- (g) Join in any subordination or other agreement affecting this Mortgage or the lien of it; or
- (h) Release the Property or any part of it.

5.8 Release. When all of the Secured Obligations have been paid in full and all fees and other sums owed by Mortgagor under Section 5.9 of this Mortgage and the other Financing Documents have been received, Mortgagee shall release this Mortgage, the lien created thereby, and all notes and instruments evidencing the Secured Obligations. Mortgagor shall pay any costs of preparation and recordation of such release.

5.9 Compensation, Exculpation, Indemnification.

(a) Mortgagor agrees to pay reasonable fees as may be charged by Mortgagee to the extent permitted by applicable law, for any services that Mortgagee may render in connection with this Mortgage, including Mortgagee's providing a statement of the Secured Obligations or providing the release pursuant to Section 5.8 above. Mortgagor shall also pay or reimburse all of Mortgagee's reasonable costs and expenses which may be incurred in rendering any such services to the extent the same are not otherwise included in the applicable fees paid to Mortgagee. Mortgagor further agrees to pay or reimburse Mortgagee for all reasonable costs, expenses and other advances which may be incurred or made by Mortgagee in any efforts to enforce any terms of this Mortgage, including any rights or remedies afforded to Mortgagee under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Mortgage, including reasonable attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Subsection 6.3(i) below) and any cost of evidence of title. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Mortgagor shall pay all reasonable costs, expenses or other advances that may

be incurred or made by Mortgagee in each such Foreclosure Sale. In any suit to foreclose the lien hereof or enforce any other remedy of Mortgagee under this Mortgage or the other Financing Documents, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or architect's fees, fees for environmental studies and assessments and all reasonable additional expenses incurred by Mortgagee with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Property. All expenditures and expenses of the nature in this Subsection mentioned, and such reasonable expenses and fees as may be incurred in the protection of the Property and maintenance of the lien of this Mortgage, including the reasonable attorney's costs and fees (including the reasonable costs and fees of paralegals) employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the other Financing Documents or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the highest rate payable under the Loan Agreement and shall be secured by this Mortgage.

(b) Mortgagee shall not be directly or indirectly liable to Mortgagor as a consequence (except to the extent attributable to Mortgagee's gross negligence or willful misconduct) of any of the following:

(i) Mortgagee's exercise of or failure to exercise any rights, remedies or powers granted to Mortgagee in this Mortgage;

(ii) Mortgagee's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or

(iii) Any loss sustained by Mortgagor or any third party resulting from Mortgagee's failure to lease the Property, or from any other act or omission of Mortgagee in managing the Property, after an Event of Default, unless the loss is caused by the willful misconduct, bad faith and gross negligence of Mortgagee.

Except to the extent attributable to Mortgagee's gross negligence or willful misconduct, Mortgagor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Mortgagee.

(c) Mortgagor agrees to indemnify Mortgagee against and hold it harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, reasonable attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and

other costs and expenses which it may suffer or incur (except to the extent attributable to Mortgagee's gross negligence or willful misconduct):

(i) In performing any act required by or expressly permitted under this Mortgage or any of the other Financing Documents or by law in connection with the Property;

(ii) Because of any failure of Mortgagor to perform any of its obligations under the Financing Documents; or

(iii) Because of any alleged obligation of or undertaking by Mortgagee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document involving the Property other than the Financing Documents.

This agreement by Mortgagor to indemnify Mortgagee shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Mortgage.

(d) Mortgagor shall pay all obligations to pay money arising under this Section 5.9 immediately upon demand by Mortgagee. Each such obligation shall be added to, and considered to be part of, the amount due pursuant to the Financing Documents, and shall bear interest from the date the obligation arises at the highest rate payable under the Loan Agreement.

5.10 Defense and Notice of Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Mortgage and the rights and powers of Mortgagee created under it, against all adverse claims. Mortgagor shall give Mortgagee prompt notice in writing if any claim is asserted which does or could affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.11 Subrogation. Mortgagee shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Mortgagee in accordance with this Mortgage or with the proceeds of any obligation secured by this Mortgage.

5.12 Site Visits, Observation and Testing. Mortgagee and its agents and representatives shall have the right at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred that has not been waived, in which event the notice and hour provisions shall not apply, to enter and visit the Property for the purpose of performing appraisals, observing the Property, taking and removing soil or groundwater samples, and conducting tests on any part of the Property. Mortgagee has no duty, however, to visit or observe the Property or to conduct tests, and no site visit, observation or testing by Mortgagee, its agents or representatives shall impose any liability on any of Mortgagee, its agents or representatives. In no event shall any site visit, observation or testing by Mortgagee, its agents or representatives be a representation that Hazardous Materials are or are not present in, on or under the Property, or that there has been or shall be compliance with any law, regulation or ordinance pertaining to Hazardous Material or any other applicable governmental law. Neither Mortgagor nor any other party is entitled to rely on any site visit, observation or testing by any of Mortgagee, its agents or representatives. Neither Mortgagee, its

agents or representatives owe any duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Hazardous Material or any other adverse condition affecting the Property except those arising or resulting solely from Mortgagee's gross negligence or willful misconduct. Mortgagee shall make reasonable efforts to avoid interfering with Mortgagor's use of the Property in exercising any rights provided in this Section 5.12.

5.13 Notice of Change. Mortgagor shall give Mortgagee prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Property, including the Books and Records, except for property disposed of in accordance with the Financing Documents; and (c) Mortgagor's name or business structure. Unless otherwise approved by Mortgagee in writing, all Property that consists of personal property (other than the Books and Records) will be located on the Land and all Books and Records will be located at Mortgagor's place of business or chief executive office, if Mortgagor has more than one place of business.

6. Accelerating Transfers, Default and Remedies.

6.1 Accelerating Transfers.

(a) "Accelerating Transfer" means any transfer of the Property not expressly permitted under the Financing Documents.

(b) Mortgagor acknowledges that Mortgagee is making one or more advances under the Loan Agreement in reliance on the expertise, skill and experience of Mortgagor; thus, the Secured Obligations include material elements similar in nature to a personal service contract. In consideration of Mortgagee's reliance, Mortgagor agrees that Mortgagor shall not make any Accelerating Transfer, unless the transfer is preceded by Mortgagee's express written consent to the particular transaction and transferee. Mortgagee may withhold such consent in its sole discretion. If any Accelerating Transfer occurs, Mortgagee in its sole discretion may declare all of the Secured Obligations to be immediately due and payable, and Mortgagee may invoke any rights and remedies provided by Section 6.3 of this Mortgage.

6.2 Events of Default. Mortgagor will be in default under this Mortgage upon the occurrence of any one or more of the following events (some or all collectively, "Events of Default;" any one singly, an "Event of Default").

(a) Failure of Mortgagor to (i) make any Debt Service Payment due pursuant to the Loan Agreement, as and when the same is due and payable, (ii) observe or perform any of its obligations under Section 7.04 of the Loan Agreement beyond any applicable cure periods, (iii) observe or perform any other covenants or conditions by Mortgagor to be performed under the terms of this Mortgage or any of the other Financing Documents concerning the payment of money, for a period of ten (10) days after written notice from Mortgagee that the same is due and payable; or (iv) for a period of thirty (30) days after written notice from Mortgagee, to observe or perform any non-monetary covenant or condition contained in this Mortgage or any of the other Financing Documents, provided that if any such failure concerning a non-monetary covenant or condition is susceptible to cure but cannot reasonably be cured within said thirty (30) day period, then Mortgagor shall have an additional thirty (30) day period to cure such failure and no Event

of Default shall be deemed to exist hereunder so long as (x) Mortgagor commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion within such resulting sixty (60) day period from the date of Mortgagee's notice, and (y) the existence of such uncured default will not result in any tenant under a lease having the right to terminate such lease due to such uncured default, and provided further that if a different notice or grace period is specified under the Loan Agreement (or elsewhere in this Mortgage or the Loan Agreement) in which such particular breach will become an Event of Default, the specific provision shall control;

(b) An "Event of Default" occurs under the Loan Agreement or any other Financing Document and is not waived.

6.3 Remedies. At any time after an Event of Default that has not been waived, Mortgagee shall be entitled to invoke any and all of the rights and remedies described below, to the extent permitted by applicable laws, in addition to all other rights and remedies available to Mortgagee at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration. Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver. Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Mortgagee would have, upon entering and taking possession of the Property under subsection (c) below.

(c) Entry. Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor's or the then owner's Books and Records; entering into, enforcing, modifying or canceling Leases on such terms and conditions as Mortgagee may consider proper and in accordance with the lease agreements; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Mortgagee; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Mortgagor shall assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact to perform such acts and execute such documents as Mortgagee in

its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor's name on any instruments.

(d) Cure; Protection of Security. Mortgagee may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage, including, without limitation, completing construction of the improvements at the Property contemplated by the Loan Agreement. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's sole judgment is or may be senior in priority to this Mortgage, such judgment of Mortgagee to be conclusive as among the parties to this Mortgage, except for the Permitted Encumbrances; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Loan Agreement; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Subsection 6.3(d) either with or without giving notice to any person. Any amounts expended by Mortgagee under this Subsection 6.3(d) shall be secured by this Mortgage.

(e) Uniform Commercial Code Remedies. Mortgagee may exercise any or all of the remedies granted to a secured party under the UCC.

(f) Foreclosure; Lawsuits. Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Property at any foreclosure or other sale hereunder, and the amount of Mortgagee's successful bid shall be credited on the Secured Obligations. Without limiting the foregoing, Mortgagee may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction. In addition to the right provided in Subsection 6.3(b), upon, or at any time after the filing of a complaint to foreclose this Mortgage, Mortgagee shall be entitled to the appointment of a receiver of the property by the court in which such complaint is filed, and Mortgagor hereby consents to such appointment.

(g) Other Remedies. Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the Secured Obligations or any part thereof, without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor. Mortgagee shall have the right to pursue all remedies afforded to a mortgagee under applicable law, and shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof.

(h) Sale of Personal Property. Mortgagee shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) For purposes of this power of sale, Mortgagee may elect to treat as personal property any Property which is intangible or which can be severed from the Land or the Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any personal property, in any manner permitted by Article 9 of the UCC, including any public or private sale, or in any manner permitted by any other applicable law.

(ii) In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Mortgagee shall mail written notice of the sale to Mortgagor not later than thirty (30) days prior to such sale. Mortgagee will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Mortgagee will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding the foregoing, Mortgagee shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(i) Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, Mortgagee may in a commercially reasonable manner:

(i) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(ii) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale;" and any two or more, "Foreclosure Sales").

If Mortgagee chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Mortgagee may deem to be in its best interests. No Foreclosure Sale shall terminate the liens of this Mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.4 Credit Bids. At any Foreclosure Sale, any person, including Mortgagor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Mortgagee may settle for the purchase price by crediting the sales price of the property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to pay or reimburse Mortgagee under Section 5.9 of this Mortgage; and

(b) Second, all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose.

6.5 Application of Foreclosure Sale Proceeds. Mortgagee shall apply the proceeds of any Foreclosure Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Mortgagee under Section 5.9 of this Mortgage;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Mortgagee under the terms of this Mortgage which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

6.6 Application of Rents and Other Sums. Mortgagee shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Mortgagee may receive or collect under Section 6.3 above, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the reasonable costs and expenses of operation and collection that may be incurred by Mortgagee or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

Mortgagee shall have no liability for any funds which it does not actually receive.

7. Miscellaneous Provisions.

7.1 Additional Provisions. The Financing Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Financing Documents also grant further rights to Mortgagee and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

7.2 No Waiver or Cure.

(a) Each waiver by Mortgagee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Mortgagee to take action on account of any default of Mortgagor. Consent by Mortgagee to any act or omission by Mortgagor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Financing Documents have been cured); or impair the security of this Mortgage; or prejudice Mortgagee or any receiver in the exercise of any right or remedy afforded any of them under this Mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this Mortgage.

(i) Mortgagee, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Subsection 6.3(c).

(ii) Mortgagee collects and applies Rents as permitted under Sections 2.3 and 6.6 above, either with or without taking possession of all or any part of the Property.

(iii) Mortgagee receives and applies to any Secured Obligation any proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Mortgagee under Section 5.5 above.

(iv) Mortgagee makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.12 above.

(v) Mortgagee receives any sums under this Mortgage or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(vi) Mortgagee or any receiver invokes any right or remedy provided under this Mortgage.

7.3 Powers of Mortgagee.

(a) If Mortgagee performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 5.7 or Subsection 6.3(d) of this Mortgage, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Mortgagor shall not be released or changed if Mortgagee grants any successor in interest to Mortgagor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Mortgagee shall

not be required to comply with any demand by the original Mortgagor that Mortgagee refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Mortgagee may take any of the actions permitted under Subsections 6.3(b) and/or 6.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Mortgage.

(c) From time to time, Mortgagee may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Mortgage. Mortgagee may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

7.4 Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property unless Mortgagee consents to a merger in writing.

7.5 Applicable Law. This Mortgage shall be governed by the laws of the State of New York.

7.6 Successors in Interest. The terms, covenants and conditions of this Mortgage shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 7.6 does not waive the provisions of Section 6.1 above.

7.7 Interpretation.

(a) Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Mortgage are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

(b) The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

(c) No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Mortgage. The Exhibits to this Mortgage are hereby incorporated in this Mortgage.

7.8 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property

marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety.

7.9 Severability. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

7.10 Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three Business Days after mailing (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service or (d) if by telecopier on the day of transmission so long as a copy is sent on the same day by overnight courier as set forth below:

Mortgagor: North Country School
4382 Cascade Road
Lake Placid, New York
Attention: Fritz Sabbow, Chief Financial Officer
Telephone: 518-523-9329

With a copy to: Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
Attention: Michael R. Schulman, Esquire
Telephone: 214-740-8612

Issuer: Essex County Capital Resource Corporation
P.O. Box 217
Elizabethtown, New York 12932
Attention: Jody Olcott, Co-Director & Chief Financial Officer
Telephone: 518-873-9114

With a copy to: Briggs Norfolk LLP
2296 Saranac Avenue
Lake Placid, New York 12946
Attention: Jenifer R. Briggs, Esquire
Telephone: 518-523-5555

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

Any notice or demand delivered to the person or entity named above to accept notices and demands for Mortgagor shall constitute notice or demand duly delivered to Mortgagor, even if delivery is refused.

7.11 Future Advances. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements that Mortgagee may, but shall not be obligated to, make under this Mortgage, the Financing Documents or any other document with respect thereto) at any one time outstanding may be substantially less but shall not exceed Seven Million One Hundred Thousand and 00/100 Dollars (\$7,100,000.00), plus interest thereon, and any disbursements made for the enforcement of this Mortgage and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Property and interest on such disbursements and all disbursements by Mortgagee pursuant to applicable law (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

7.12 Mortgagee's Lien for Service Charge and Expenses. At all times, regardless of whether any Bond proceeds have been disbursed, this Mortgage secures (in addition to any Bond proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee not to exceed the maximum amount secured hereby. For purposes hereof, all obligations of Mortgagor to Mortgagee under all Interest Rate Agreements and any indebtedness or obligation contained therein or evidenced thereby shall be considered an obligation of Mortgagor secured hereby.

7.13 Payment of Mortgage Taxes. Mortgagor shall pay all taxes imposed pursuant to Article 11 of the Tax Law or any other statute, order or regulation, whether said tax is imposed at the time of recording or subsequent thereto, if applicable. This obligation shall survive the satisfaction or other termination of this Mortgage.

7.14 Real Property Law. All covenants hereof, which are in addition to those set forth in Sections 254 and 291-f of the Real Property Law, shall be construed as affording to Mortgagee rights additional to, and not exclusive of, the rights conferred under the provisions of said Sections 254 and 291-f.

7.15 Lien Law. Mortgagor will, in compliance with Section 13 of the Lien Law, receive the advances secured by this Mortgage and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

7.16 Environmental Warranties and Covenants.

(a) Warranties. Mortgagor makes the following representations and warranties: (i) except as previously disclosed in writing by Mortgagor to Mortgagee. Mortgagor

(or the present owner of the Land, if different) is in compliance in all respects with all applicable federal, state and local laws and regulations, including, without limitation, those relating to hazardous substances (the “Environmental Laws”), (ii) except as previously disclosed in writing by Mortgagor to Mortgagee, to Mortgagor’s knowledge, no portion of the Land is being used or has been used at any previous time, for the disposal, storage, treatment, processing or other handling of any hazardous substances, in a manner not in compliance with the Environmental Laws, (iii) except as previously disclosed in writing by Mortgagor to Mortgagee, the soil and any surface water and ground water which are a part of the Land are free from any solid wastes, hazardous substance or contaminant and any discharge of sewage or effluent in all cases in a condition which requires investigation, removal or remediation under Environmental Laws; and (iv) except as previously disclosed in writing by Mortgagor to Mortgagee, neither the federal government nor the State of New York Department of Environmental Conservation or any other governmental or quasi governmental entity has filed a lien on the Land, nor are there any governmental, judicial or administrative actions with respect to environmental matters pending, or to Mortgagor’s actual knowledge, threatened, which involve the Land.

(b) Inspection. Mortgagor agrees that Mortgagee or its agents or representatives may, at Mortgagor’s expense and at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred and is continuing, in which event the notice and hour provisions shall not apply, inspect Mortgagor’s Books and Records and inspect and, upon Mortgagee’s reasonable belief that Mortgagor is in violation of the provisions of this Section 7.16, conduct any tests on the Land reasonably recommended by an environmental professional including taking soil samples in order to determine whether Mortgagor is in continuing compliance with the Environmental Laws.

(c) Agreement to Comply. If any environmental contamination is found on the Property for which any removal or remedial action is required of the owner or operator of the Land pursuant to Environmental Law, Mortgagor agrees that it will at its sole cost and expense, take such removal or remedial action promptly and to Mortgagee’s satisfaction.

(d) Indemnification. Mortgagor agrees to defend, indemnify and hold harmless Mortgagee, its employees, agents, officers and directors from and against any claims, actions, demands, penalties, fines, liabilities, settlements, damages, costs or expenses (including, without limitation, reasonable attorney and consultant fees, investigations and laboratory fees, court costs and litigation expenses of whatever kind or nature known or unknown, contingent or otherwise) arising out of or in any way related to: (i) the past or present disposal, release or threatened release of any hazardous substances on the Land; (ii) any personal injury (including wrongful death or property damage, real or personal) arising out of or related to such hazardous substances; (iii) any lawsuit brought or threatened, settlement reached or government order given relating to such hazardous substances; and/or (iv) any violation of any law, order, regulation, requirement, or demand of any government authority, which are based upon such hazardous substances, but shall not include any conditions arising out of hazardous materials first released or disposed, or violations of Environmental Laws first occurring after Mortgagee takes possession or title to the Land through foreclosure or acceptance of a deed in lieu of foreclosure.

(e) Other Sites. Mortgagor knows of no on-site or off-site locations where hazardous substances from the operation of any Improvement or otherwise have been stored, treated, recycled or disposed of in violation of Environmental Laws.

(f) Leases. Mortgagor agrees not to lease or permit the sublease of the Property to a tenant or subtenant whose operations are reasonably anticipated to result in contamination of the Property with hazardous substances.

(g) Non-Operation by Mortgagee. Mortgagor acknowledges that any action Mortgagee takes under this Mortgage shall be taken to protect Mortgagee's security interest only; Mortgagee does not hereby intend to be involved in the operations of Mortgagor.

(h) Compliance Determinations. Mortgagor acknowledges that any determinations Mortgagee makes under this Section regarding compliance with environmental laws shall be made for Mortgagee's benefit only and are not intended to be relied upon by any other party.

(i) Survival of Conditions. The provisions of this Section shall be in addition to any other obligations and liabilities Mortgagor may have to Mortgagee at common law, and shall survive the transactions contemplated herein.

(j) Definitions. The term "hazardous substance" shall include, without limit, any substance or material defined in 42 U.S.C. Section 9601 (as the same may be amended from time to time), and the New York Environmental Conservation Law or the Resource Conservation And Recovery Act (as each may be amended from time to time) and in any regulations adopted or publications promulgated pursuant to any of the foregoing.

7.17 Costs, Expenses And Attorney's Fees. Should one or more Events of Default occur hereunder, and should an action be commenced for the foreclosure of this Mortgage, Mortgagee shall be entitled to recover all sums due hereunder, statutory costs, and any additional allowances made pursuant to Section 8303(a) of the Civil Practice Law and Rules of the State of New York, and in addition thereto, reasonable attorneys' fees in such proceeding and in all proceedings related thereto necessary to and related to the foreclosing proceeding, and such amount shall be added to the principal balance and interest then due and shall be a lien on the Property prior to any right or title to, interest in or claim upon the Property attaching and accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and the indebtedness which it secures.

7.18 Tax Law Section 253 Statement. Check one box only.

This Mortgage covers real property principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having their own separate cooking facilities.

This Mortgage does not cover real property improved as described above.

Where used herein, the word, "Mortgagor" may be read "Mortgagors" where applicable.

7.19 WAIVER OF TRIAL BY JURY. MORTGAGOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION ARISING IN ANY WAY IN CONNECTION WITH THIS MORTGAGE, THE LOAN AGREEMENT, OR ANY OF THE OTHER FINANCING DOCUMENTS, THE BONDS OR ANY OTHER STATEMENTS OR ACTIONS OF MORTGAGOR OR MORTGAGEE. MORTGAGOR ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS DISCUSSED THIS WAIVER WITH SUCH LEGAL COUNSEL. MORTGAGOR FURTHER ACKNOWLEDGES THAT (i) IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER, (ii) THIS WAIVER IS A MATERIAL INDUCEMENT FOR MORTGAGEE TO ENTER INTO THIS MORTGAGE AND EACH OF THE OTHER FINANCING DOCUMENTS, AND (iii) THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF SUCH OTHER FINANCING DOCUMENTS AS IF FULLY INCORPORATED THEREIN.

7.20 Inconsistencies. In the event of any inconsistency between this Mortgage and the Loan Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid security interest upon the Property, otherwise the provisions of the Loan Agreement shall be controlling.

7.21 UCC Financing Statements. Mortgagor hereby authorizes Mortgagee to file UCC financing statements to perfect Mortgagee's security interest in any part of the Property. In addition, Mortgagor agrees to sign any and all other documents that Mortgagee deems necessary in its sole discretion to perfect, protect, and continue Mortgagee's lien and security interest on the Property.

7.22 No Recourse; Special Obligation.

(a) The obligations and agreements of the Issuer contained herein and in the other Financing Documents and in any other instrument or document executed in connection herewith or therewith, and any other instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Issuer, and not of any member, officer, director, agent (other than Mortgagor) or employee of the Issuer in his individual capacity, and the members, officers, directors, agents (other than Mortgagor) and employees of the Issuer shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby.

(b) The obligations and agreements of the Issuer contained herein and therein shall not constitute or give rise to an obligation of the State of New York or Essex County, New York, and neither the State of New York nor Essex County, New York shall be liable hereon or thereon, and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the payments to be made by Mortgagor to the Issuer under the Loan Agreement and the other security pledged to the payment of the Bonds.

(c) No order or decree of specific performance with respect to any of the obligations of the Issuer hereunder or thereunder shall be sought or enforced against the Issuer unless (1) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, (2) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient, as determined by the Issuer, to cover such reasonable fees and expenses, and (3) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its members, directors, officers, agents (other than Mortgagor) or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify, defend and hold harmless the Issuer and its members, directors, officers, agents (other than Mortgagor) and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, shall furnish to the Issuer satisfactory security, as determined by the Issuer, to protect the Issuer and its members, officers, agents (other than Mortgagor) and employees against all liability expected to be incurred as a result of compliance with such request.

(d) The limitations on the obligations of the Issuer contained in this Section 7.22 by virtue of any lack of assurance or indemnity required by paragraph (c) hereof shall not be deemed to prevent the occurrence and full force and effect of any Event of Default pursuant to Section 6.2 hereof.

7.23 Building Loan.

(a) This Mortgage is made in connection with the Loan Agreement which will be filed as a building loan contract in the Office of the County Clerk of Essex County, New York prior to the recordation hereof, and is subject to all of the provisions thereof as if they were fully set forth in and made a part of this Mortgage.

(b) Notwithstanding anything in the Loan Agreement to the contrary, the entire principal amount of the Bonds available for funding under the Loan Agreement, constitutes the Building Loan and will be advanced pursuant to the provisions of the Loan Agreement. This Mortgage shall be considered and is a bifurcated mortgage to the extent of such amount.

7.24 Recording. The Bank is authorized to record this Mortgage, together with the Assignment of Mortgage, of even date herewith, from the Issuer to the Bank, at any time on or after the occurrence of Mortgage Recordation Event, as further described in the Covenants Agreement.

7.25 Parity Mortgage. Mortgagor is granting a mortgage on the Property to the Bank on the date hereof, pursuant to the Mortgage, Assignment of Rents, Security Agreement and

Fixture Filing, dated as of the date hereof from Mortgagor to the Bank, securing a line of credit from Mortgagor to the Bank (the "Line of Credit Mortgage"), which is a Permitted Lien. This Mortgage is granted to Mortgagee on parity with the Line of Credit Mortgage.

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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

MORTGAGOR: NORTH COUNTRY SCHOOL

By: _____
David Hochschartner
Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ____ day of _____ in the year 2019 before me, the undersigned, personally appeared David Hochschartner, Executive Director of North Country School, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT A
Description of Land

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;

THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;

THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;

THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;

THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;

THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;

THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;

THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;

THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

(Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms

and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

(Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

(The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

(Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a

southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

(Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract to the Northeast corner thereof; thence Westerly along the

Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

(Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;

Thence, South $85^{\circ} 13' 32''$ East, 264.00 feet along the north line of the parcel to a point marked by a 5/8 inch iron rod, said course passing through a 5/8 inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;

Thence, South $04^{\circ} 46' 20''$ West, 165.00 feet along the east line of the parcel to a point marked by a 5/8 inch iron rod;

Thence, North $85^{\circ} 13' 32''$ West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a 5/8 inch iron rod line marker at a distance of 163.68 feet;

Thence, North $04^{\circ} 46' 28''$ East, 165.00 feet along the west line of the parcel to the Point of Beginning.

(Containing therein 1.00 acre, more or less.)

ACTIVE 41482336v3

EXHIBIT E

FORM OF NEGATIVE PLEDGE AGREEMENT

NEGATIVE PLEDGE AGREEMENT

MADE BY AND BETWEEN

NORTH COUNTRY SCHOOL

AND

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

Dated as of: March 29, 2019

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION
NORTH COUNTRY SCHOOL REVENUE BONDS
SERIES 2019A AND SERIES 2019B**

**PREPARED BY AND UPON RECORDATION RETURN TO:
Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.**

NEGATIVE PLEDGE AGREEMENT

This NEGATIVE PLEDGE AGREEMENT, dated as of March 29, 2019 (this “Agreement”), is by and between NORTH COUNTRY SCHOOL, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (“the “Institution”) in favor of ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 (with its successors and assigns, the “Issuer”). Terms used herein and not otherwise defined shall have the same meanings assigned to them on the Covenants Agreement (as hereinafter defined).

The Issuer has issued its North Country School Revenue Bonds, Series 2019A and Series 2019B in the principal amount of not to exceed \$7,100,000 (the “Bonds”), pursuant to a Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Loan Agreement”), by and among the Issuer, the Institution and Boston Private Bank & Trust Company (the “Bank”), the proceeds of which are being loaned to the Institution. Pursuant to the Loan Agreement, Issuer will issue the Bonds and sell the Bonds to the Bank. The Institution and the Bank have executed a Continuing Covenants Agreement, dated as of March 29, 2019 (the “Covenants Agreement”), setting forth certain representations, warranties and agreements of the Institution in connection with the purchase of the Bonds by the Bank. The Institution understands that the Issuer is willing to issue the Bonds and the Bank is willing to purchase the Bonds and otherwise extend credit to the Institution only upon certain conditions, one of which is that the Institution execute and deliver this Agreement and this Agreement is being executed and delivered in consideration of each of the Obligations (as defined below) granted to the Institution by the Issuer and the Bank and for other valuable considerations.

As used herein, “Obligations” shall mean: (a) the Bonds; (b) each extension or refinancing of the Bonds; (c) all interest from time to time accruing on the Bonds, and any commitment or facility and other fees associated therewith; (d) all obligations and liabilities of the Institution now existing or hereafter incurred to the Bank under, arising out of, or in connection with any agreement for a derivative or hedging product including, without limitation, interest rate or equity swaps, futures, options, caps, floors, collars or forwards now or hereafter entered into by the Institution with the Bank, or any of its affiliates; (e) all other amounts payable by the Institution to the Issuer or the Bank pursuant to the Bonds and the Financing Documents; (f) every other liability, now or hereafter owing to the Issuer or the Bank by the Institution, including, without limitation, every liability, whether owing by only the Institution or by the Institution with one or more others in a several, joint or joint and several capacity, whether owing absolutely or contingently, whether created by note, overdraft, guaranty of payment or other contract or by a quasi-contract, tort, statute or other operation of law, whether incurred directly to the Issuer or the Bank or acquired by the Issuer or the Bank by purchase, pledge or otherwise and whether participated to or from the Issuer or the Bank in whole or in part; (g) all costs and expenses, including reasonable attorneys’ fees and costs, incurred by the Issuer or the Bank in connection with the Bonds or in connection with the collection of any portion of the indebtedness described in (a), (b), (c), (d), (e) and (f) hereof; (h) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Agreement;

and (i) the performance of the covenants and agreements of the Institution contained in this Agreement.

INSTITUTION AND ISSUER HEREBY AGREE AS FOLLOWS:

1. The Institution hereby covenants with, and warrants and represents to the Issuer, that: (a) the Institution is the lawful owner of the premises identified on **Exhibit A** attached hereto and hereby made a part hereof (the "Premises"); (b) the Institution has the sole right and lawful authority to deliver this Agreement; (c) the Premises are, and until the Institution satisfies the Obligations and all instruments and documents executed in connection therewith, will be, free and clear of all mortgages, liens, attachments, levies, encumbrances and security interests of every kind, nature and description except as recited in the descriptions of the Premises on **Exhibit A** and as permitted under the Loan Agreement; (d) the Institution will warrant and defend the Premises against the claims and demands of all persons; (e) the Institution will not waste or destroy the same or any part thereof; (f) the Institution will not sell, assign, mortgage, lease or otherwise convey or dispose of the Premises, or any part thereof without the prior written consent of the Issuer, except as permitted by the Covenants Agreement; (g) the Institution has not, and shall not enter into a negative pledge agreement, or similar agreement, affecting the Premises with any other party; (h) the Institution will keep the Premises insured at all times in the amounts and for the risks presently insured; and (i) after the occurrence of any Mortgage Recordation Event, the Bank may record the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, of even date herewith, with respect to the Premises, as more particularly described in the Covenants Agreement, at which time, the Issuer shall discharge this Agreement.
2. Failure of the Institution to comply with the terms of this Agreement shall constitute an Event of Default under the documents evidencing the Obligations.
3. If any provision of this Agreement shall be deemed by any court having jurisdiction thereon to be invalid or unenforceable, the balance of this Agreement shall remain in effect; if any provision of this Agreement shall be deemed by any such court to be unenforceable because such provisions shall be too broad in scope, such provision shall be construed to be limited in scope to the extent such court shall deem necessary to make it enforceable; and if any provision of this Agreement shall be deemed by any such court to be inapplicable to any person or circumstances, it shall, nevertheless, be construed to apply to all other persons and circumstances.
4. Any notice, approval, consent or other communication under this Agreement shall be in writing and shall be deemed sufficiently given when mailed by certified mail, postage prepaid, or sent by overnight mail or by private courier service providing evidence of receipt and delivered during business hours, addressed to the parties respectively at their respective addresses set forth at the beginning of this Agreement. A communication provided for in this Agreement will become effective only when the person to whom it is given receives it or is considered to have received it. A communication shall be considered to have been received: (i) if mailed by certified mail on the third business day after being mailed or if sent by

overnight mail on the next business day after mailing, or (ii) the day of its receipt, whichever is earlier. Either party may change its address by written notice to the other party given at least ten (10) days before the effective date of such change.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.
6. This Agreement and the Financing Documents, and any other document contemplated thereby contain a complete statement of the undertakings between the parties with respect to their subject matter.
7. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the choice of law provisions of the State of New York or any other jurisdiction, and shall have the effect of a sealed instrument.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Institution and the Issuer have executed this Agreement as of the date first above written.

NORTH COUNTRY SCHOOL

By: _____
David Hochschartner
Executive Director

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ____ day of _____ in the year 2019 before me, the undersigned, personally appeared David Hochschartner, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ____ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT A

Description of Premises

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;
THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;
THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;
THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;
THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;
THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;
THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;
THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;
THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

(Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

(Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

(The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

(Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

(Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract to the Northeast corner thereof; thence Westerly along the Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

(Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;
Thence, South 85° 13' 32" East, 264.00 feet along the north line of the parcel to a point marked by a 5/8 inch iron rod, said course passing through a 5/8 inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;
Thence, South 04° 46' 20" West, 165.00 feet along the east line of the parcel to a point marked by a 5/8 inch iron rod;
Thence, North 85° 13' 32" West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a 5/8 inch iron rod line marker at a distance of 163.68 feet;
Thence, North 04° 46' 28" East, 165.00 feet along the west line of the parcel to the Point of Beginning.

(Containing therein 1.00 acre, more or less.)

ACTIVE 41482347v2

SCHEDULE A

[Reserved]

SCHEDULE B

Issuer Fee

The fee payable to the Issuer consisting of all of the Issuer's internal costs and overhead expenses attributable to the issuance of the Bonds, which fee shall be payable in the amount and date set forth below:

On or before delivery of the Bonds	\$53,250
------------------------------------	----------

SCHEDULE C

Description of the Project

The construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), and (iii) the refinancing of outstanding indebtedness of the Institution, all of the Facilities of which are to be located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, New York 12946 (collectively, the "Project"), and the costs of issuance of the Bonds and certain related costs and expenses of the Project.

SCHEDULE D

Certificate Regarding Environmental Compliance

CERTIFICATE REGARDING ENVIRONMENTAL COMPLIANCE

I, David Hochschartner, Executive Director of North Country School (the "Institution") DO HEREBY CERTIFY as follows:

1. Attached hereto as Exhibit A are true and correct copies of the Adirondack Park Agency (the "Agency") permits, dated July 25, 2018 and August 27, 2018, required in connection with the Project (as that term is defined in the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Agreement") by and among the Essex County Capital Resource Corporation (the "Issuer"), the Institution and Boston Private Bank & Trust Company, as bondholder (the "Bondholder").

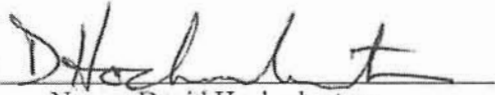
2. Attached hereto as Exhibit B is a true and correct copy of the determination letter, dated October 19, 2017, from the Agency and addressed to the Institution (the "Determination") making certain findings and determinations that a portion of the Project does not require a permit under the Adirondack Park Agency Act (the "Act").

3. To the best of my knowledge, from the date of the Agency approval of the Project and the issuance of the applicable permits to the date hereof and from the date of the Determination to the date hereof, there has occurred no event nor has there been any material change made to the Project (as that term is referred to in the Agreement) pursuant to the terms of the Agreement which would require the undertaking of additional conditions imposed by the Act or by the environmental compliance proceedings pursuant to Article 8 of the NYS Environmental Conservation Law and the state regulations promulgated thereunder by the NYS Department of Environmental Conservation.

[Signature page follows]

IN WITNESS WHEREOF, I have set my hand this March 29, 2019.

NORTH COUNTRY SCHOOL

By: 
Name: David Hochschartner
Title: Executive Director

[Signature page to Certificate Regarding Environmental Compliance]

SCHEDULE E

[Reserved]

SCHEDULE F

[Reserved]

SCHEDULE G

[Reserved]

SCHEDULE H

Initial Investment Direction

On the Closing Date, Boston Private Bank & Trust Company, N.A. (the “Bondholder”), will deposit to the Essex County Capital Resource Corporation Construction Fund – North Country School (the “Construction Fund”), the Borrower’s account number [_____] held at Boston Private Bank & Trust Company, to be invested as directed by the Institution.

SCHEDULE I

Lien Law, Section 22 Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF ESSEX)

David Hochshartner, being duly sworn, deposes and says:

1. I am the Executive Director of North Country School (the "Institution"), the borrower mentioned in the Bond Purchase and Loan Agreement to which this Affidavit is annexed (the "Building Loan Agreement")

2. The Institution and Bondholder have entered into the Building Loan Agreement relating to the construction and equipping of Improvements (as defined below) on Land which is more particularly described in **Exhibit A** hereto (the "Mortgaged Property"). The Building Loan Agreement is intended to be filed in the Essex County Clerk's Office in accordance with Section 22 of the Lien Law. All capitalized terms used herein and not otherwise defined shall have the same meanings assigned thereto in the Building Loan Agreement.

3. Of the total amount of \$7,100,000.00 loaned to the Institution pursuant to the Building Loan Agreement, all constitutes a building loan for purposes of the Lien Law.

4. Soft costs incurred, or to be incurred, in connection with the building loan, and advanced or to be advanced pursuant to the Building Loan Agreement are as follows:

- (a) Interest on the building loan during construction\$0.00
- (b) Taxes, assessments, water rents and sewer rents, paid or to be paid for periods prior to or during construction\$0.00
- (c) Insurance during construction.....\$0.00
- (d) Commitment/Issuer fee, if any, in addition to the consideration stated above which is allocable to the Building Loan.....\$97,218.00
- (e) Commitment fee for subsequent financing either (i) required by the lender, or (ii) to be borrowed within four months after completion of the improvements\$0.00
- (f) Title examination, insurance premium and recording fees which are allocable to the Building Loan.....\$0.00
- (g) Bond Insurance Premium.....\$0.00
- (h) Engineer's and Architect's fees\$253,992.00

(i)	Bond premiums	\$0.00
(j)	Legal fees of the lender/bond counsel which are allocable to the Building Loan	\$44,782.00
(k)	Broker's commissions incurred with respect to obtaining the Building Loan	\$0.00
(l)	Broker's commissions incurred with respect to obtaining subsequent financing either (i) required by the lender, or (ii) to be borrowed within four months after the completion of the improvements	\$0.00
(m)	Brokerage Commissions for leases of space (other than residential space) in the improvements with terms in excess of three (3) years	\$0.00
(n)	Ground rents accruing during construction	\$0.00
(o)	Mortgage recording tax allocable to the Building Loan.....	\$0.00
(p)	Appraisal	\$0.00
(q)	Sums paid to take by assignment prior existing mortgages which are consolidated with building loan mortgages and also the interest charges on such mortgages	\$0.00
(r)	Sums paid to discharge or reduce the indebtedness under mortgages and accrued interest thereon and other prior existing encumbrances	\$0.00
(s)	Sums paid to discharge building loan mortgages whenever recorded	\$0.00
(t)	Contingency cost of the improvement, other than the "improvement," as defined in subdivision 4 of Section 2 of the Lien Law	\$0.00
	Subtotal of soft costs	\$395,992.00

Certain of the foregoing amounts are based upon good faith estimates of costs or expenses not yet incurred and certain items listed above may cost more or less than such estimates. The Institution reserves the right to use unexpended amounts from any of said items to defray increases incurred in any other item or items listed above so long as the total amount expended on such items does not exceed the amount of the building loan.

5. Sums to be advanced from the loan proceeds to reimburse the Institution or refinance prior indebtedness of the Institution incurred for costs of the improvements expended by Institution after the commencement of the improvements but prior to the date hereof: \$2,773,403.48


6. That after payment of all the above fees, expenses, reimbursements and refinancing the amount of money which will be available to pay contractors, subcontractors, laborers and materialmen for the cost of improvements pursuant to the Building Loan Agreement (the “Improvements”) is Three Million Nine Hundred Thirty Thousand Six Hundred Four and 52/100 Dollars (\$3,930,604.52), less such amounts (i) as, may not be advanced and disbursed under the Building Loan Agreement due to the non-satisfaction of conditions to the advance and disbursement of such amounts contained in the Bond Documents, and (ii) as may become due or payable for additional insurance premiums, interest on the building loan, ground rents, taxes, assessments, water rents and sewer rents accruing during the construction of the improvement.

7. All monies approved by Bondholder to be advanced to the Institution under the Building Loan Agreement shall be subject to the Trust Fund provisions of Section 13 of the Lien Law. If an Event of Default that has not been waived occurs during construction of the Improvements, the Bondholder may refuse to advance additional funds and such unadvanced sums would not be available to the Institution to pay the cost of constructing the Improvements.

8. This affidavit is made pursuant to and in compliance with Section 22 of the Lien Law by the Institution, as the “borrower” for the purposes of said Section.

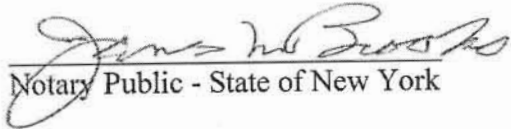
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9. The facts herein stated are true to the best of deponents knowledge.



David Hochschartner
Executive Director

Sworn to before me this 29th day of March, 2019.



Notary Public - State of New York

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November-13, 2022

[Signature page to Lien Law, Section 22 Affidavit]

Executed Bonds

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019A

REGISTERED NUMBER	PRINCIPAL AMOUNT
R-A1	\$5,800,000

INTEREST RATE	DATED DATE	MATURITY DATE
4.08%	March 29, 2019	March 29, 2034

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: Five Million Eight Hundred Thousand Dollars

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the "Bondholder" or "Owner"), or registered assigns, the Principal Amount stated above as set forth herein through the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a "Debt Service Payment Date"), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the "Institution") and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a "Record Date"), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable, in level monthly payments of principal and interest in installments commencing on May 1, 2020 and each Debt Service Payment Date thereafter based on a 30-year amortization period, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019A” (hereinafter called the “Bond”), and issued by the Issuer in the aggregate principal amount of \$5,800,000, under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next

succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for

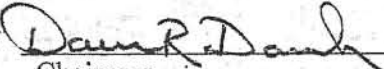
the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

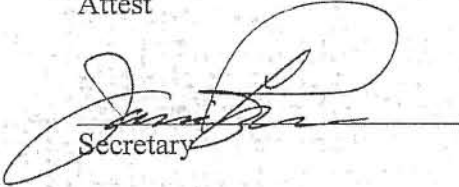
IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By  _____
Chairman

(SEAL)

Attest


Secretary

Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>	<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>	
1	3/29/2019	5/1/2019	33.00	\$5,800,000.00	\$21,692.00	\$21,692.00	\$0.00	\$5,800,000.00
2	5/1/2019	6/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
3	6/1/2019	7/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
4	7/1/2019	8/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
5	8/1/2019	9/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
6	9/1/2019	10/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
7	10/1/2019	11/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
8	11/1/2019	12/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
9	12/1/2019	1/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
10	1/1/2020	2/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
11	2/1/2020	3/1/2020	29.00	\$5,800,000.00	\$19,062.67	\$19,062.67	\$0.00	\$5,800,000.00
12	3/1/2020	4/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
13	4/1/2020	5/1/2020	30.00	\$5,800,000.00	\$27,958.26	\$19,720.00	\$8,238.26	\$5,791,761.74
14	5/1/2020	6/1/2020	31.00	\$5,791,761.74	\$27,958.26	\$20,348.39	\$7,609.87	\$5,784,151.88
15	6/1/2020	7/1/2020	30.00	\$5,784,151.88	\$27,958.26	\$19,666.12	\$8,292.14	\$5,775,859.74
16	7/1/2020	8/1/2020	31.00	\$5,775,859.74	\$27,958.26	\$20,292.52	\$7,665.74	\$5,768,194.01
17	8/1/2020	9/1/2020	31.00	\$5,768,194.01	\$27,958.26	\$20,265.59	\$7,692.67	\$5,760,501.34
18	9/1/2020	10/1/2020	30.00	\$5,760,501.34	\$27,958.26	\$19,585.70	\$8,372.56	\$5,752,128.79
19	10/1/2020	11/1/2020	31.00	\$5,752,128.79	\$27,958.26	\$20,209.15	\$7,749.11	\$5,744,379.68
20	11/1/2020	12/1/2020	30.00	\$5,744,379.68	\$27,958.26	\$19,530.89	\$8,427.37	\$5,735,952.32
21	12/1/2020	1/1/2021	31.00	\$5,735,952.32	\$27,958.26	\$20,152.31	\$7,805.95	\$5,728,146.37
22	1/1/2021	2/1/2021	31.00	\$5,728,146.37	\$27,958.26	\$20,124.89	\$7,833.37	\$5,720,313.00
23	2/1/2021	3/1/2021	28.00	\$5,720,313.00	\$27,958.26	\$18,152.46	\$9,805.80	\$5,710,507.21
24	3/1/2021	4/1/2021	31.00	\$5,710,507.21	\$27,958.26	\$20,062.92	\$7,895.34	\$5,702,611.87
25	4/1/2021	5/1/2021	30.00	\$5,702,611.87	\$27,958.26	\$19,388.88	\$8,569.38	\$5,694,042.50
26	5/1/2021	6/1/2021	31.00	\$5,694,042.50	\$27,958.26	\$20,005.07	\$7,953.19	\$5,686,089.31
27	6/1/2021	7/1/2021	30.00	\$5,686,089.31	\$27,958.26	\$19,332.70	\$8,625.56	\$5,677,463.76
28	7/1/2021	8/1/2021	31.00	\$5,677,463.76	\$27,958.26	\$19,946.82	\$8,011.44	\$5,669,452.32
29	8/1/2021	9/1/2021	31.00	\$5,669,452.32	\$27,958.26	\$19,918.68	\$8,039.58	\$5,661,412.74
30	9/1/2021	10/1/2021	30.00	\$5,661,412.74	\$27,958.26	\$19,248.80	\$8,709.46	\$5,652,703.29
31	10/1/2021	11/1/2021	31.00	\$5,652,703.29	\$27,958.26	\$19,859.83	\$8,098.43	\$5,644,604.86
32	11/1/2021	12/1/2021	30.00	\$5,644,604.86	\$27,958.26	\$19,191.66	\$8,766.60	\$5,635,838.27
33	12/1/2021	1/1/2022	31.00	\$5,635,838.27	\$27,958.26	\$19,800.58	\$8,157.68	\$5,627,680.59
34	1/1/2022	2/1/2022	31.00	\$5,627,680.59	\$27,958.26	\$19,771.92	\$8,186.34	\$5,619,494.26
35	2/1/2022	3/1/2022	28.00	\$5,619,494.26	\$27,958.26	\$17,832.53	\$10,125.73	\$5,609,368.53
36	3/1/2022	4/1/2022	31.00	\$5,609,368.53	\$27,958.26	\$19,707.58	\$8,250.68	\$5,601,117.86

37	4/1/2022	5/1/2022	30.00	\$5,601,117.86	\$27,958.26	\$19,043.80	\$8,914.46	\$5,592,203.40
38	5/1/2022	6/1/2022	31.00	\$5,592,203.40	\$27,958.26	\$19,647.27	\$8,310.99	\$5,583,892.41
39	6/1/2022	7/1/2022	30.00	\$5,583,892.41	\$27,958.26	\$18,985.23	\$8,973.03	\$5,574,919.39
40	7/1/2022	8/1/2022	31.00	\$5,574,919.39	\$27,958.26	\$19,586.55	\$8,371.71	\$5,566,547.68
41	8/1/2022	9/1/2022	31.00	\$5,566,547.68	\$27,958.26	\$19,557.14	\$8,401.12	\$5,558,146.57
42	9/1/2022	10/1/2022	30.00	\$5,558,146.57	\$27,958.26	\$18,897.70	\$9,060.56	\$5,549,086.01
43	10/1/2022	11/1/2022	31.00	\$5,549,086.01	\$27,958.26	\$19,495.79	\$8,462.47	\$5,540,623.55
44	11/1/2022	12/1/2022	30.00	\$5,540,623.55	\$27,958.26	\$18,838.12	\$9,120.14	\$5,531,503.41
45	12/1/2022	1/1/2023	31.00	\$5,531,503.41	\$27,958.26	\$19,434.02	\$8,524.24	\$5,522,979.18
46	1/1/2023	2/1/2023	31.00	\$5,522,979.18	\$27,958.26	\$19,404.07	\$8,554.19	\$5,514,424.99
47	2/1/2023	3/1/2023	28.00	\$5,514,424.99	\$27,958.26	\$17,499.11	\$10,459.15	\$5,503,965.84
48	3/1/2023	4/1/2023	31.00	\$5,503,965.84	\$27,958.26	\$19,337.27	\$8,620.99	\$5,495,344.86
49	4/1/2023	5/1/2023	30.00	\$5,495,344.86	\$27,958.26	\$18,684.17	\$9,274.09	\$5,486,070.77
50	5/1/2023	6/1/2023	31.00	\$5,486,070.77	\$27,958.26	\$19,274.40	\$8,683.86	\$5,477,386.92
51	6/1/2023	7/1/2023	30.00	\$5,477,386.92	\$27,958.26	\$18,623.12	\$9,335.14	\$5,468,051.78
52	7/1/2023	8/1/2023	31.00	\$5,468,051.78	\$27,958.26	\$19,211.09	\$8,747.17	\$5,459,304.62
53	8/1/2023	9/1/2023	31.00	\$5,459,304.62	\$27,958.26	\$19,180.36	\$8,777.90	\$5,450,526.72
54	9/1/2023	10/1/2023	30.00	\$5,450,526.72	\$27,958.26	\$18,531.79	\$9,426.47	\$5,441,100.26
55	10/1/2023	11/1/2023	31.00	\$5,441,100.26	\$27,958.26	\$19,116.40	\$8,841.86	\$5,432,258.40
56	11/1/2023	12/1/2023	30.00	\$5,432,258.40	\$27,958.26	\$18,469.68	\$9,488.58	\$5,422,769.82
57	12/1/2023	1/1/2024	31.00	\$5,422,769.82	\$27,958.26	\$19,052.00	\$8,906.26	\$5,413,863.57
58	1/1/2024	2/1/2024	31.00	\$5,413,863.57	\$27,958.26	\$19,020.71	\$8,937.55	\$5,404,926.02
59	2/1/2024	3/1/2024	29.00	\$5,404,926.02	\$27,958.26	\$17,764.19	\$10,194.07	\$5,394,731.96
60	3/1/2024	4/1/2024	31.00	\$5,394,731.96	\$27,958.26	\$18,953.49	\$9,004.77	\$5,385,727.19
61	4/1/2024	5/1/2024	30.00	\$5,385,727.19	\$27,958.26	\$18,311.47	\$9,646.79	\$5,376,080.41
62	5/1/2024	6/1/2024	31.00	\$5,376,080.41	\$27,958.26	\$18,887.96	\$9,070.30	\$5,367,010.11
63	6/1/2024	7/1/2024	30.00	\$5,367,010.11	\$27,958.26	\$18,247.83	\$9,710.43	\$5,357,299.68
64	7/1/2024	8/1/2024	31.00	\$5,357,299.68	\$27,958.26	\$18,821.98	\$9,136.28	\$5,348,163.41
65	8/1/2024	9/1/2024	31.00	\$5,348,163.41	\$27,958.26	\$18,789.88	\$9,168.38	\$5,338,995.03
66	9/1/2024	10/1/2024	30.00	\$5,338,995.03	\$27,958.26	\$18,152.58	\$9,805.68	\$5,329,189.36
67	10/1/2024	11/1/2024	31.00	\$5,329,189.36	\$27,958.26	\$18,723.22	\$9,235.04	\$5,319,954.32
68	11/1/2024	12/1/2024	30.00	\$5,319,954.32	\$27,958.26	\$18,087.84	\$9,870.42	\$5,310,083.91
69	12/1/2024	1/1/2025	31.00	\$5,310,083.91	\$27,958.26	\$18,656.09	\$9,302.17	\$5,300,781.74
70	1/1/2025	2/1/2025	31.00	\$5,300,781.74	\$27,958.26	\$18,623.41	\$9,334.85	\$5,291,446.90
71	2/1/2025	3/1/2025	28.00	\$5,291,446.90	\$27,958.26	\$16,791.52	\$11,166.74	\$5,280,280.16
72	3/1/2025	4/1/2025	31.00	\$5,280,280.16	\$27,958.26	\$18,551.38	\$9,406.88	\$5,270,873.28
73	4/1/2025	5/1/2025	30.00	\$5,270,873.28	\$27,958.26	\$17,920.97	\$10,037.29	\$5,260,836.00
74	5/1/2025	6/1/2025	31.00	\$5,260,836.00	\$27,958.26	\$18,483.07	\$9,475.19	\$5,251,360.81
75	6/1/2025	7/1/2025	30.00	\$5,251,360.81	\$27,958.26	\$17,854.63	\$10,103.63	\$5,241,257.19
76	7/1/2025	8/1/2025	31.00	\$5,241,257.19	\$27,958.26	\$18,414.28	\$9,543.98	\$5,231,713.21
77	8/1/2025	9/1/2025	31.00	\$5,231,713.21	\$27,958.26	\$18,380.75	\$9,577.51	\$5,222,135.71
78	9/1/2025	10/1/2025	30.00	\$5,222,135.71	\$27,958.26	\$17,755.26	\$10,203.00	\$5,211,932.71
79	10/1/2025	11/1/2025	31.00	\$5,211,932.71	\$27,958.26	\$18,311.26	\$9,647.00	\$5,202,285.72
80	11/1/2025	12/1/2025	30.00	\$5,202,285.72	\$27,958.26	\$17,687.77	\$10,270.49	\$5,192,015.23

81	12/1/2025	1/1/2026	31.00	\$5,192,015.23	\$27,958.26	\$18,241.28	\$9,716.98	\$5,182,298.25
82	1/1/2026	2/1/2026	31.00	\$5,182,298.25	\$27,958.26	\$18,207.14	\$9,751.12	\$5,172,547.14
83	2/1/2026	3/1/2026	28.00	\$5,172,547.14	\$27,958.26	\$16,414.22	\$11,544.04	\$5,161,003.10
84	3/1/2026	4/1/2026	31.00	\$5,161,003.10	\$27,958.26	\$18,132.32	\$9,825.94	\$5,151,177.17
85	4/1/2026	5/1/2026	30.00	\$5,151,177.17	\$27,958.26	\$17,514.00	\$10,444.26	\$5,140,732.91
86	5/1/2026	6/1/2026	31.00	\$5,140,732.91	\$27,958.26	\$18,061.11	\$9,897.15	\$5,130,835.77
87	6/1/2026	7/1/2026	30.00	\$5,130,835.77	\$27,958.26	\$17,444.84	\$10,513.42	\$5,120,322.35
88	7/1/2026	8/1/2026	31.00	\$5,120,322.35	\$27,958.26	\$17,989.40	\$9,968.86	\$5,110,353.49
89	8/1/2026	9/1/2026	31.00	\$5,110,353.49	\$27,958.26	\$17,954.38	\$10,003.88	\$5,100,349.62
90	9/1/2026	10/1/2026	30.00	\$5,100,349.62	\$27,958.26	\$17,341.19	\$10,617.07	\$5,089,732.55
91	10/1/2026	11/1/2026	31.00	\$5,089,732.55	\$27,958.26	\$17,881.93	\$10,076.33	\$5,079,656.23
92	11/1/2026	12/1/2026	30.00	\$5,079,656.23	\$27,958.26	\$17,270.83	\$10,687.43	\$5,068,968.80
93	12/1/2026	1/1/2027	31.00	\$5,068,968.80	\$27,958.26	\$17,808.98	\$10,149.28	\$5,058,819.53
94	1/1/2027	2/1/2027	31.00	\$5,058,819.53	\$27,958.26	\$17,773.32	\$10,184.94	\$5,048,634.59
95	2/1/2027	3/1/2027	28.00	\$5,048,634.59	\$27,958.26	\$16,021.00	\$11,937.26	\$5,036,697.34
96	3/1/2027	4/1/2027	31.00	\$5,036,697.34	\$27,958.26	\$17,695.60	\$10,262.66	\$5,026,434.68
97	4/1/2027	5/1/2027	30.00	\$5,026,434.68	\$27,958.26	\$17,089.88	\$10,868.38	\$5,015,566.30
98	5/1/2027	6/1/2027	31.00	\$5,015,566.30	\$27,958.26	\$17,621.36	\$10,336.90	\$5,005,229.41
99	6/1/2027	7/1/2027	30.00	\$5,005,229.41	\$27,958.26	\$17,017.78	\$10,940.48	\$4,994,288.93
100	7/1/2027	8/1/2027	31.00	\$4,994,288.93	\$27,958.26	\$17,546.60	\$10,411.66	\$4,983,877.28
101	8/1/2027	9/1/2027	31.00	\$4,983,877.28	\$27,958.26	\$17,510.02	\$10,448.24	\$4,973,429.04
102	9/1/2027	10/1/2027	30.00	\$4,973,429.04	\$27,958.26	\$16,909.66	\$11,048.60	\$4,962,380.45
103	10/1/2027	11/1/2027	31.00	\$4,962,380.45	\$27,958.26	\$17,434.50	\$10,523.76	\$4,951,856.69
104	11/1/2027	12/1/2027	30.00	\$4,951,856.69	\$27,958.26	\$16,836.31	\$11,121.95	\$4,940,734.75
105	12/1/2027	1/1/2028	31.00	\$4,940,734.75	\$27,958.26	\$17,358.45	\$10,599.81	\$4,930,134.94
106	1/1/2028	2/1/2028	31.00	\$4,930,134.94	\$27,958.26	\$17,321.21	\$10,637.05	\$4,919,497.89
107	2/1/2028	3/1/2028	29.00	\$4,919,497.89	\$27,958.26	\$16,168.75	\$11,789.51	\$4,907,708.39
108	3/1/2028	4/1/2028	31.00	\$4,907,708.39	\$27,958.26	\$17,242.42	\$10,715.84	\$4,896,992.55
109	4/1/2028	5/1/2028	30.00	\$4,896,992.55	\$27,958.26	\$16,649.77	\$11,308.49	\$4,885,684.07
110	5/1/2028	6/1/2028	31.00	\$4,885,684.07	\$27,958.26	\$17,165.04	\$10,793.22	\$4,874,890.85
111	6/1/2028	7/1/2028	30.00	\$4,874,890.85	\$27,958.26	\$16,574.63	\$11,383.63	\$4,863,507.23
112	7/1/2028	8/1/2028	31.00	\$4,863,507.23	\$27,958.26	\$17,087.12	\$10,871.14	\$4,852,636.09
113	8/1/2028	9/1/2028	31.00	\$4,852,636.09	\$27,958.26	\$17,048.93	\$10,909.33	\$4,841,726.77
114	9/1/2028	10/1/2028	30.00	\$4,841,726.77	\$27,958.26	\$16,461.87	\$11,496.39	\$4,830,230.38
115	10/1/2028	11/1/2028	31.00	\$4,830,230.38	\$27,958.26	\$16,970.21	\$10,988.05	\$4,819,242.33
116	11/1/2028	12/1/2028	30.00	\$4,819,242.33	\$27,958.26	\$16,385.42	\$11,572.84	\$4,807,669.50
117	12/1/2028	1/1/2029	31.00	\$4,807,669.50	\$27,958.26	\$16,890.95	\$11,067.31	\$4,796,602.19
118	1/1/2029	2/1/2029	31.00	\$4,796,602.19	\$27,958.26	\$16,852.06	\$11,106.20	\$4,785,496.00
119	2/1/2029	3/1/2029	28.00	\$4,785,496.00	\$27,958.26	\$15,185.97	\$12,772.29	\$4,772,723.71
120	3/1/2029	4/1/2029	31.00	\$4,772,723.71	\$27,958.26	\$16,768.17	\$11,190.09	\$4,761,533.63
121	4/1/2029	5/1/2029	30.00	\$4,761,533.63	\$27,958.26	\$16,189.21	\$11,769.05	\$4,749,764.58
122	5/1/2029	6/1/2029	31.00	\$4,749,764.58	\$27,958.26	\$16,687.51	\$11,270.75	\$4,738,493.83
123	6/1/2029	7/1/2029	30.00	\$4,738,493.83	\$27,958.26	\$16,110.88	\$11,847.38	\$4,726,646.46
124	7/1/2029	8/1/2029	31.00	\$4,726,646.46	\$27,958.26	\$16,606.28	\$11,351.98	\$4,715,294.48

125	8/1/2029	9/1/2029	31.00	\$4,715,294.48	\$27,958.26	\$16,566.40	\$11,391.86	\$4,703,902.63
126	9/1/2029	10/1/2029	30.00	\$4,703,902.63	\$27,958.26	\$15,993.27	\$11,964.99	\$4,691,937.64
127	10/1/2029	11/1/2029	31.00	\$4,691,937.64	\$27,958.26	\$16,484.34	\$11,473.92	\$4,680,463.73
128	11/1/2029	12/1/2029	30.00	\$4,680,463.73	\$27,958.26	\$15,913.58	\$12,044.68	\$4,668,419.05
129	12/1/2029	1/1/2030	31.00	\$4,668,419.05	\$27,958.26	\$16,401.71	\$11,556.55	\$4,656,862.51
130	1/1/2030	2/1/2030	31.00	\$4,656,862.51	\$27,958.26	\$16,361.11	\$11,597.15	\$4,645,265.36
131	2/1/2030	3/1/2030	28.00	\$4,645,265.36	\$27,958.26	\$14,740.98	\$13,217.28	\$4,632,048.08
132	3/1/2030	4/1/2030	31.00	\$4,632,048.08	\$27,958.26	\$16,273.93	\$11,684.33	\$4,620,363.76
133	4/1/2030	5/1/2030	30.00	\$4,620,363.76	\$27,958.26	\$15,709.24	\$12,249.02	\$4,608,114.74
134	5/1/2030	6/1/2030	31.00	\$4,608,114.74	\$27,958.26	\$16,189.84	\$11,768.42	\$4,596,346.33
135	6/1/2030	7/1/2030	30.00	\$4,596,346.33	\$27,958.26	\$15,627.58	\$12,330.68	\$4,584,015.65
136	7/1/2030	8/1/2030	31.00	\$4,584,015.65	\$27,958.26	\$16,105.17	\$11,853.09	\$4,572,162.57
137	8/1/2030	9/1/2030	31.00	\$4,572,162.57	\$27,958.26	\$16,063.53	\$11,894.73	\$4,560,267.84
138	9/1/2030	10/1/2030	30.00	\$4,560,267.84	\$27,958.26	\$15,504.91	\$12,453.35	\$4,547,814.50
139	10/1/2030	11/1/2030	31.00	\$4,547,814.50	\$27,958.26	\$15,977.99	\$11,980.27	\$4,535,834.23
140	11/1/2030	12/1/2030	30.00	\$4,535,834.23	\$27,958.26	\$15,421.84	\$12,536.42	\$4,523,297.81
141	12/1/2030	1/1/2031	31.00	\$4,523,297.81	\$27,958.26	\$15,891.85	\$12,066.41	\$4,511,231.41
142	1/1/2031	2/1/2031	31.00	\$4,511,231.41	\$27,958.26	\$15,849.46	\$12,108.80	\$4,499,122.61
143	2/1/2031	3/1/2031	28.00	\$4,499,122.61	\$27,958.26	\$14,277.22	\$13,681.04	\$4,485,441.58
144	3/1/2031	4/1/2031	31.00	\$4,485,441.58	\$27,958.26	\$15,758.85	\$12,199.41	\$4,473,242.17
145	4/1/2031	5/1/2031	30.00	\$4,473,242.17	\$27,958.26	\$15,209.02	\$12,749.24	\$4,460,492.94
146	5/1/2031	6/1/2031	31.00	\$4,460,492.94	\$27,958.26	\$15,671.20	\$12,287.06	\$4,448,205.88
147	6/1/2031	7/1/2031	30.00	\$4,448,205.88	\$27,958.26	\$15,123.90	\$12,834.36	\$4,435,371.53
148	7/1/2031	8/1/2031	31.00	\$4,435,371.53	\$27,958.26	\$15,582.94	\$12,375.32	\$4,422,996.21
149	8/1/2031	9/1/2031	31.00	\$4,422,996.21	\$27,958.26	\$15,539.46	\$12,418.80	\$4,410,577.41
150	9/1/2031	10/1/2031	30.00	\$4,410,577.41	\$27,958.26	\$14,995.96	\$12,962.30	\$4,397,615.12
151	10/1/2031	11/1/2031	31.00	\$4,397,615.12	\$27,958.26	\$15,450.29	\$12,507.97	\$4,385,107.15
152	11/1/2031	12/1/2031	30.00	\$4,385,107.15	\$27,958.26	\$14,909.36	\$13,048.90	\$4,372,058.26
153	12/1/2031	1/1/2032	31.00	\$4,372,058.26	\$27,958.26	\$15,360.50	\$12,597.76	\$4,359,460.50
154	1/1/2032	2/1/2032	31.00	\$4,359,460.50	\$27,958.26	\$15,316.24	\$12,642.02	\$4,346,818.49
155	2/1/2032	3/1/2032	29.00	\$4,346,818.49	\$27,958.26	\$14,286.54	\$13,671.72	\$4,333,146.77
156	3/1/2032	4/1/2032	31.00	\$4,333,146.77	\$27,958.26	\$15,223.79	\$12,734.47	\$4,320,412.30
157	4/1/2032	5/1/2032	30.00	\$4,320,412.30	\$27,958.26	\$14,689.40	\$13,268.86	\$4,307,143.45
158	5/1/2032	6/1/2032	31.00	\$4,307,143.45	\$27,958.26	\$15,132.43	\$12,825.83	\$4,294,317.62
159	6/1/2032	7/1/2032	30.00	\$4,294,317.62	\$27,958.26	\$14,600.68	\$13,357.58	\$4,280,960.05
160	7/1/2032	8/1/2032	31.00	\$4,280,960.05	\$27,958.26	\$15,040.44	\$12,917.82	\$4,268,042.23
161	8/1/2032	9/1/2032	31.00	\$4,268,042.23	\$27,958.26	\$14,995.06	\$12,963.20	\$4,255,079.04
162	9/1/2032	10/1/2032	30.00	\$4,255,079.04	\$27,958.26	\$14,467.27	\$13,490.99	\$4,241,588.05
163	10/1/2032	11/1/2032	31.00	\$4,241,588.05	\$27,958.26	\$14,902.11	\$13,056.15	\$4,228,531.91
164	11/1/2032	12/1/2032	30.00	\$4,228,531.91	\$27,958.26	\$14,377.01	\$13,581.25	\$4,214,950.66
165	12/1/2032	1/1/2033	31.00	\$4,214,950.66	\$27,958.26	\$14,808.53	\$13,149.73	\$4,201,800.93
166	1/1/2033	2/1/2033	31.00	\$4,201,800.93	\$27,958.26	\$14,762.33	\$13,195.93	\$4,188,605.01
167	2/1/2033	3/1/2033	28.00	\$4,188,605.01	\$27,958.26	\$13,291.84	\$14,666.42	\$4,173,938.59
168	3/1/2033	4/1/2033	31.00	\$4,173,938.59	\$27,958.26	\$14,664.44	\$13,293.82	\$4,160,644.78

169	4/1/2033	5/1/2033	30.00	\$4,160,644.78	\$27,958.26	\$14,146.19	\$13,812.07	\$4,146,832.71
170	5/1/2033	6/1/2033	31.00	\$4,146,832.71	\$27,958.26	\$14,569.21	\$13,389.05	\$4,133,443.67
171	6/1/2033	7/1/2033	30.00	\$4,133,443.67	\$27,958.26	\$14,053.71	\$13,904.55	\$4,119,539.12
172	7/1/2033	8/1/2033	31.00	\$4,119,539.12	\$27,958.26	\$14,473.31	\$13,484.95	\$4,106,054.18
173	8/1/2033	9/1/2033	31.00	\$4,106,054.18	\$27,958.26	\$14,425.94	\$13,532.32	\$4,092,521.86
174	9/1/2033	10/1/2033	30.00	\$4,092,521.86	\$27,958.26	\$13,914.57	\$14,043.69	\$4,078,478.17
175	10/1/2033	11/1/2033	31.00	\$4,078,478.17	\$27,958.26	\$14,329.05	\$13,629.21	\$4,064,848.97
176	11/1/2033	12/1/2033	30.00	\$4,064,848.97	\$27,958.26	\$13,820.49	\$14,137.77	\$4,050,711.20
177	12/1/2033	1/1/2034	31.00	\$4,050,711.20	\$27,958.26	\$14,231.50	\$13,726.76	\$4,036,984.45
178	1/1/2034	2/1/2034	31.00	\$4,036,984.45	\$27,958.26	\$14,183.27	\$13,774.99	\$4,023,209.46
179	2/1/2034	3/1/2034	28.00	\$4,023,209.46	\$27,958.26	\$12,766.98	\$15,191.28	\$4,008,018.19
180	3/1/2034	3/29/2034	28.00	\$4,008,018.19	\$4,020,736.97	\$12,718.78	\$4,008,018.19	\$0.00

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019B

REGISTERED NUMBER		PRINCIPAL AMOUNT
R-B1		\$1,300,000
INTEREST RATE	DATED DATE	MATURITY DATE
3.68%	March 29, 2019	March 29, 2026

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: One Million Three Hundred Thousand Dollars

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the "Bondholder" or "Owner"), or registered assigns, the Principal Amount stated above on the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a "Debt Service Payment Date"), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the "Institution") and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a "Record Date"), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable on the Maturity Date, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019B” (hereinafter called the “Bond”); and issued by the Issuer in the aggregate principal amount of \$1,300,000 under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon

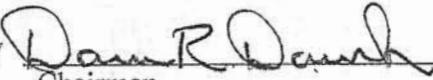
its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

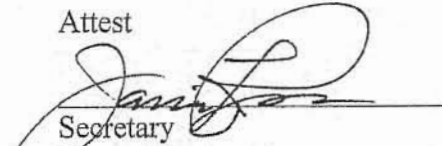
IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By 
Chairman

(SEAL)

Attest


Secretary
Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>	<u>Payment Date</u>	<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>		
1	3/29/2019	5/1/2019	33.00	\$1,300,000.00	\$4,385.33	\$4,385.33	\$0.00	\$1,300,000.00
2	5/1/2019	6/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
3	6/1/2019	7/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
4	7/1/2019	8/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
5	8/1/2019	9/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
6	9/1/2019	10/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
7	10/1/2019	11/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
8	11/1/2019	12/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
9	12/1/2019	1/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
10	1/1/2020	2/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
11	2/1/2020	3/1/2020	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
12	3/1/2020	4/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
13	4/1/2020	5/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
14	5/1/2020	6/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
15	6/1/2020	7/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
16	7/1/2020	8/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
17	8/1/2020	9/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
18	9/1/2020	10/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
19	10/1/2020	11/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
20	11/1/2020	12/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
21	12/1/2020	1/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
22	1/1/2021	2/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
23	2/1/2021	3/1/2021	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
24	3/1/2021	4/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
25	4/1/2021	5/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
26	5/1/2021	6/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
27	6/1/2021	7/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
28	7/1/2021	8/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
29	8/1/2021	9/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
30	9/1/2021	10/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
31	10/1/2021	11/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
32	11/1/2021	12/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
33	12/1/2021	1/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
34	1/1/2022	2/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
35	2/1/2022	3/1/2022	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
36	3/1/2022	4/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
37	4/1/2022	5/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
38	5/1/2022	6/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

39	6/1/2022	7/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
40	7/1/2022	8/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
41	8/1/2022	9/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
42	9/1/2022	10/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
43	10/1/2022	11/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
44	11/1/2022	12/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
45	12/1/2022	1/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
46	1/1/2023	2/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
47	2/1/2023	3/1/2023	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
48	3/1/2023	4/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
49	4/1/2023	5/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
50	5/1/2023	6/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
51	6/1/2023	7/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
52	7/1/2023	8/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
53	8/1/2023	9/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
54	9/1/2023	10/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
55	10/1/2023	11/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
56	11/1/2023	12/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
57	12/1/2023	1/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
58	1/1/2024	2/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
59	2/1/2024	3/1/2024	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
60	3/1/2024	4/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
61	4/1/2024	5/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
62	5/1/2024	6/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
63	6/1/2024	7/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
64	7/1/2024	8/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
65	8/1/2024	9/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
66	9/1/2024	10/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
67	10/1/2024	11/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
68	11/1/2024	12/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
69	12/1/2024	1/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
70	1/1/2025	2/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
71	2/1/2025	3/1/2025	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
72	3/1/2025	4/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
73	4/1/2025	5/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
74	5/1/2025	6/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
75	6/1/2025	7/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
76	7/1/2025	8/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
77	8/1/2025	9/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
78	9/1/2025	10/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
79	10/1/2025	11/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
80	11/1/2025	12/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
81	12/1/2025	1/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
82	1/1/2026	2/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

83	2/1/2026	3/1/2026	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
84	3/1/2026	3/29/2026	28.00	\$1,300,000.00	\$1,303,720.89	\$3,720.89	\$1,300,000.00	\$0.00

Transcript Document No. 5

Mortgage, Assignment of Rents, Security Agreement and Fixture Filing

**MORTGAGE,
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

MADE BY

**NORTH COUNTRY SCHOOL,
as Mortgagor**

to

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION,
as Mortgagee**

Dated as of: March 29, 2019

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION
NORTH COUNTRY SCHOOL REVENUE BONDS
SERIES 2019A AND SERIES 2019B**

**PREPARED BY AND UPON RECORDATION RETURN TO:
Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.**

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of March 29, 2019, by and among NORTH COUNTRY SCHOOL, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 ("Mortgagor" or the "Institution") in favor of ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 (with its successors and assigns, "Mortgagee" or the "Issuer").

1. **Grant and Secured Obligations.**

1.1 Grant. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2 below, Mortgagor hereby irrevocably and unconditionally grants, bargains, sells, conveys, mortgages and warrants to Mortgagee, with power of sale and with right of entry and possession, all estate, right, title and interest which Mortgagor now has or may later acquire in and to the following properties (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"): (a) the real property located in the Village of Lake Placid, Essex County, State of New York, as described in **Exhibit A**, together with all existing and future easements and rights affording access to it (the "Land"); together with (b) all buildings, structures and improvements now located or later to be constructed on the Land (the "Improvements"); together with (c) all existing and future appurtenances, privileges, easements, franchises and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any Land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and the Improvements; together with (d) all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions (the "Leases") relating to the use and enjoyment of all or any part of the Land and the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; together with (e) all real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in **Exhibit A** or not, which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and the Improvements; together with (f) all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and the Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Mortgage and any manufacturer's warranties with respect thereto; together with (g) all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or the Improvements; together with (h) all of Mortgagor's interest in and to all operating accounts, the

proceeds of the Bonds (as hereinafter defined), whether disbursed or not, and any other bank accounts of Mortgagor; together with (i) all rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Mortgagor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Mortgagee), which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and the Improvements generally and any builder's or manufacturer's warranties with respect thereto; together with (j) all insurance policies pertaining to the Land and all proceeds that are payable to the Mortgagor, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with (k) all of Mortgagor's rights in and to all Interest Rate Agreements (as hereinafter defined); (l) all books and records pertaining to any and all of the property described above, including computer-readable memory and any computer hardware or software necessary to access and process such memory (collectively, "Books and Records"); together with (m) all proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above. Capitalized terms used above and elsewhere in this Mortgage without definition have the meanings given them in the Covenants Agreement referred to in Subsection 1.2(a)(i) below.

1.2 Secured Obligations.

(a) Mortgagor makes the grant, conveyance, and mortgage set forth in Section 1.1 above, and grants the security interest set forth in Section 3 below for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Mortgagee may choose:

(i) Payment of all obligations at any time owing by the Institution under the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Loan Agreement"), by and among the Issuer, the Institution and Boston Private Bank & Trust Company (the "Bank"), as purchaser of the Bonds, pursuant to which the Issuer shall loan to the Institution the proceeds of Seven Million One Hundred Thousand and 00/100 Dollars (\$7,100,000.00) in aggregate principal amount of the Issuer's North Country School Revenue Bonds, Series 2019A and Series 2019B (the "Bonds"), and the Continuing Covenants Agreement, dated as of March 29, 2019 (the "Covenants Agreement"), by and between the Institution and the Bank, executed in connection with the issuance of the Bonds; and

(ii) Payment and performance of all obligations of the Institution under this Mortgage; and

(iii) Payment and performance of any obligations of the Institution under any other Financing Documents which are executed by the Institution; and

(iv) Payment and performance of all obligations of the Institution arising from any Interest Rate Agreements, if any. “Interest Rate Agreements” shall mean an interest rate hedging program through the purchase by the Institution from the Bank of an interest rate swap, cap or such other interest rate protection product; and

(v) Payment and performance of all future advances and other obligations that the Institution or any successor in ownership of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee or the Bank; and

(vi) Payment and performance of all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations.

(b) Following the recording of the Mortgage in accordance with the Covenants Agreement, all persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions pursuant to which the interest rate on one or more of the Secured Obligations may vary from time to time.

2. Assignment of Rents.

2.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee all rents, royalties, issues, profits, revenue, income, accounts, proceeds and other benefits of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits (some or all collectively, as the context may require, “Rents”). This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Mortgagee hereby confers upon the Institution a license (the “License”) to collect and retain the Rents as they become due and payable, so long as no Event of Default (as defined in Section 6.2 below) has occurred that has not been waived. If an Event of Default has occurred that has not been waived, Mortgagee shall have the right, which it may choose to exercise in its sole discretion, to terminate the License without notice to or demand upon Mortgagor, and without regard to the adequacy of Mortgagee’s security under this Mortgage.

2.3 Collection and Application of Rents. Subject to the License granted to the Institution under Section 2.2 above, Mortgagee has the right, power and authority to collect any and all Rents. The Institution hereby appoints Mortgagee its attorney-in-fact to perform any and all of the following acts, if and at the times following the occurrence of an Event of Default when Mortgagee in its sole discretion may so choose:

(a) demand, receive and enforce payment of any and all Rents; or (b) give receipts, releases and satisfactions for any and all Rents; or (c) sue either in the name of Mortgagor or in the name of Mortgagee for any and all Rents. Mortgagee and the Institution agree that the mere recordation of the assignment granted herein entitles Mortgagee immediately to collect and receive rents upon the occurrence of an Event of Default, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing notice to the Institution, filing foreclosure proceedings, or seeking and/or obtaining the appointment of a receiver. Further, Mortgagee's right to the Rents does not depend on whether or not Mortgagee takes possession of the Property as permitted under Subsection 6.3(c). In Mortgagee's sole discretion, Mortgagee may choose to collect Rents either with or without taking possession of the Property. Mortgagee shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default occurs while Mortgagee is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Mortgagee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

2.4 Mortgagee Not Responsible. Under no circumstances shall Mortgagee have any duty to produce Rents from the Property. Regardless of whether or not Mortgagee, in person or by agent, takes actual possession of the Property, unless Mortgagee agrees in writing to the contrary, Mortgagee is not and shall not be deemed to be: (a) a "mortgagee in possession" for any purpose; or (b) responsible for performing any of the obligations of the lessor under any lease; or (c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or (d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

2.5 Leasing. Mortgagor shall not accept any deposit or prepayment of rents under any Leases for any rental period exceeding one (1) month without Mortgagee's prior written consent. Mortgagor shall not lease the Property or any part of it except in accordance with the Covenants Agreement.

3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Mortgage to create a lien on the Property, and an absolute assignment of the Rents, all in favor of Mortgagee. The parties acknowledge that some of the Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be or be determined to be personal property, Mortgagor as debtor hereby grants Mortgagee as secured party a security interest in all such Property and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of New York (the "UCC"), covering all such Property and Rents.

3.2 Financing Statements. Mortgagor shall prepare one or more financing statements and such other documents as Mortgagee may from time to time require to perfect or continue the perfection of Mortgagee's security interest in any Property or the Rents. As provided in Section 5.9 below, Mortgagor shall pay all fees and costs that Mortgagee may incur in filing such

documents in public offices and in obtaining such record searches as Mortgagee may reasonably require. In case Mortgagor fails to prepare any financing statements or other documents for the perfection or continuation of any security interest, Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact to prepare any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Mortgage or the rights or obligations of the parties under it. Notwithstanding anything to the contrary herein, neither this Mortgage nor any financing statement described herein shall be recorded or filed except following a Mortgage Recordation Event in accordance with the Covenants Agreement.

4. **Fixture Filing.**

Upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage constitutes a financing statement filed as a fixture filing under Article 9 of the UCC, as amended or recodified from time to time, covering any Property which now is or later may become fixtures attached to the Land or the Improvements. For this purpose, the respective addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are as set forth in the preambles of this Mortgage.

5. **Rights and Duties of the Parties.**

5.1 **Representations and Warranties.** Mortgagor represents and warrants that as of the date hereof:

(a) Mortgagor lawfully possesses and holds fee simple title to all of the Land and the Improvements;

(b) Mortgagor has or will have good title to all Property;

(c) Mortgagor has the full and unlimited power, right and authority to encumber the Property and assign the Rents pursuant to this Mortgage;

(d) To the best knowledge of the Mortgagor, upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage will create a first and prior lien on the Property located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, Essex County, State of New York;

(e) The Property includes all property and rights which may be reasonably necessary or desirable to promote the present use and enjoyment of the Land and the Improvements;

(f) Except for the Permitted Liens, Mortgagor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office; and

(g) Mortgagor's place of business, or its chief executive office if it has more than one place of business, is located at the address specified in Section 7.10 below.

5.2 Taxes, and Assessments. Mortgagor shall pay prior to delinquency all taxes, levies, charges and assessments, in accordance with the Covenants Agreement.

5.3 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 Liens, Charges and Encumbrances. Except for the encumbrances listed on **Exhibit A** attached hereto (the "Permitted Encumbrances"), Mortgagor shall immediately discharge any lien on the Property which Mortgagee has not consented to in writing in accordance with the Covenants Agreement.

5.5 Damages and Insurance and Condemnation Proceeds. In the event of any casualty or condemnation of the Property, the provisions of the Loan Agreement shall govern.

5.6 Maintenance and Preservation of Property.

(a) Mortgagor shall insure the Property as required by the Loan Agreement and the Covenants Agreement and keep the Property in good condition and repair.

(b) Mortgagor shall not remove or demolish the Property or any part of it, or alter, restore or add to the Property, or initiate or acquiesce to any change or variance in any zoning or other Land use classification which affects the Property or any part of it, except with Mortgagee's express prior written consent in each instance.

(c) If all or part of the Property becomes damaged or destroyed, Mortgagor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Mortgagee agrees to disburse proceeds of the Bonds or other sums to pay costs of the work of repair or reconstruction under the Loan Agreement; provided, however, that Mortgagee shall permit Mortgagor to utilize any insurance proceeds paid in connection with such damage or destruction to perform such repairs and reconstruction.

(d) Mortgagor shall not commit or allow any act upon or use of the Property which would violate: (i) any applicable laws or order of any governmental authority, whether now existing or later to be enacted and whether foreseen or unforeseen; or (ii) any public or private covenant, condition, restriction or equitable servitude affecting the Property. Mortgagor shall not bring or keep any article on the Property or cause or allow any condition to exist on it, if that would invalidate or be prohibited by any insurance coverage required to be maintained by Mortgagor on the Property or any part of it under the Loan Agreement or the Covenants Agreement.

(e) Mortgagor shall not commit or allow waste of the Property.

(f) Mortgagor shall perform all other reasonable acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value.

5.7 Releases, Extensions, Modifications and Additional Security. From time to time, Mortgagee may perform any of the following acts without incurring any liability or giving notice to any person:

- (a) Release any person liable for payment of any Secured Obligation;
- (b) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
- (c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;
- (d) Alter, substitute or release any property securing the Secured Obligations, except for the disposal of obsolete property in the ordinary course of operations;
- (e) Consent to the making of any plat or map of the Property or any part of it;
- (f) Join in granting any easement or creating any restriction affecting the Property; or
- (g) Join in any subordination or other agreement affecting this Mortgage or the lien of it; or
- (h) Release the Property or any part of it.

5.8 Release. When all of the Secured Obligations have been paid in full and all fees and other sums owed by Mortgagor under Section 5.9 of this Mortgage and the other Financing Documents have been received, Mortgagee shall release this Mortgage, the lien created thereby, and all notes and instruments evidencing the Secured Obligations. Mortgagor shall pay any costs of preparation and recordation of such release.

5.9 Compensation, Exculpation, Indemnification.

(a) Mortgagor agrees to pay reasonable fees as may be charged by Mortgagee to the extent permitted by applicable law, for any services that Mortgagee may render in connection with this Mortgage, including Mortgagee's providing a statement of the Secured Obligations or providing the release pursuant to Section 5.8 above. Mortgagor shall also pay or reimburse all of Mortgagee's reasonable costs and expenses which may be incurred in rendering any such services to the extent the same are not otherwise included in the applicable fees paid to Mortgagee. Mortgagor further agrees to pay or reimburse Mortgagee for all reasonable costs, expenses and other advances which may be incurred or made by Mortgagee in any efforts to enforce any terms of this Mortgage, including any rights or remedies afforded to Mortgagee under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Mortgage, including reasonable attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Subsection 6.3(i) below) and any cost of evidence of title. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Mortgagor shall pay all reasonable costs, expenses or other advances that may

be incurred or made by Mortgagee in each such Foreclosure Sale. In any suit to foreclose the lien hereof or enforce any other remedy of Mortgagee under this Mortgage or the other Financing Documents, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or architect's fees, fees for environmental studies and assessments and all reasonable additional expenses incurred by Mortgagee with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Property. All expenditures and expenses of the nature in this Subsection mentioned, and such reasonable expenses and fees as may be incurred in the protection of the Property and maintenance of the lien of this Mortgage, including the reasonable attorney's costs and fees (including the reasonable costs and fees of paralegals) employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the other Financing Documents or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the highest rate payable under the Loan Agreement and shall be secured by this Mortgage.

(b) Mortgagee shall not be directly or indirectly liable to Mortgagor as a consequence (except to the extent attributable to Mortgagee's gross negligence or willful misconduct) of any of the following:

(i) Mortgagee's exercise of or failure to exercise any rights, remedies or powers granted to Mortgagee in this Mortgage;

(ii) Mortgagee's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or

(iii) Any loss sustained by Mortgagor or any third party resulting from Mortgagee's failure to lease the Property, or from any other act or omission of Mortgagee in managing the Property, after an Event of Default, unless the loss is caused by the willful misconduct, bad faith and gross negligence of Mortgagee.

Except to the extent attributable to Mortgagee's gross negligence or willful misconduct, Mortgagor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Mortgagee.

(c) Mortgagor agrees to indemnify Mortgagee against and hold it harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, reasonable attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and

other costs and expenses which it may suffer or incur (except to the extent attributable to Mortgagee's gross negligence or willful misconduct):

(i) In performing any act required by or expressly permitted under this Mortgage or any of the other Financing Documents or by law in connection with the Property;

(ii) Because of any failure of Mortgagor to perform any of its obligations under the Financing Documents; or

(iii) Because of any alleged obligation of or undertaking by Mortgagee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document involving the Property other than the Financing Documents.

This agreement by Mortgagor to indemnify Mortgagee shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Mortgage.

(d) Mortgagor shall pay all obligations to pay money arising under this Section 5.9 immediately upon demand by Mortgagee. Each such obligation shall be added to, and considered to be part of, the amount due pursuant to the Financing Documents, and shall bear interest from the date the obligation arises at the highest rate payable under the Loan Agreement.

5.10 Defense and Notice of Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Mortgage and the rights and powers of Mortgagee created under it, against all adverse claims. Mortgagor shall give Mortgagee prompt notice in writing if any claim is asserted which does or could affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.11 Subrogation. Mortgagee shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Mortgagee in accordance with this Mortgage or with the proceeds of any obligation secured by this Mortgage.

5.12 Site Visits, Observation and Testing. Mortgagee and its agents and representatives shall have the right at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred that has not been waived, in which event the notice and hour provisions shall not apply, to enter and visit the Property for the purpose of performing appraisals, observing the Property, taking and removing soil or groundwater samples, and conducting tests on any part of the Property. Mortgagee has no duty, however, to visit or observe the Property or to conduct tests, and no site visit, observation or testing by Mortgagee, its agents or representatives shall impose any liability on any of Mortgagee, its agents or representatives. In no event shall any site visit, observation or testing by Mortgagee, its agents or representatives be a representation that Hazardous Materials are or are not present in, on or under the Property, or that there has been or shall be compliance with any law, regulation or ordinance pertaining to Hazardous Material or any other applicable governmental law. Neither Mortgagor nor any other party is entitled to rely on any site visit, observation or testing by any of Mortgagee, its agents or representatives. Neither Mortgagee, its

agents or representatives owe any duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Hazardous Material or any other adverse condition affecting the Property except those arising or resulting solely from Mortgagee's gross negligence or willful misconduct. Mortgagee shall make reasonable efforts to avoid interfering with Mortgagor's use of the Property in exercising any rights provided in this Section 5.12.

5.13 Notice of Change. Mortgagor shall give Mortgagee prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Property, including the Books and Records, except for property disposed of in accordance with the Financing Documents; and (c) Mortgagor's name or business structure. Unless otherwise approved by Mortgagee in writing, all Property that consists of personal property (other than the Books and Records) will be located on the Land and all Books and Records will be located at Mortgagor's place of business or chief executive office, if Mortgagor has more than one place of business.

6. Accelerating Transfers, Default and Remedies.

6.1 Accelerating Transfers.

(a) "Accelerating Transfer" means any transfer of the Property not expressly permitted under the Financing Documents.

(b) Mortgagor acknowledges that Mortgagee is making one or more advances under the Loan Agreement in reliance on the expertise, skill and experience of Mortgagor; thus, the Secured Obligations include material elements similar in nature to a personal service contract. In consideration of Mortgagee's reliance, Mortgagor agrees that Mortgagor shall not make any Accelerating Transfer, unless the transfer is preceded by Mortgagee's express written consent to the particular transaction and transferee. Mortgagee may withhold such consent in its sole discretion. If any Accelerating Transfer occurs, Mortgagee in its sole discretion may declare all of the Secured Obligations to be immediately due and payable, and Mortgagee may invoke any rights and remedies provided by Section 6.3 of this Mortgage.

6.2 Events of Default. Mortgagor will be in default under this Mortgage upon the occurrence of any one or more of the following events (some or all collectively, "Events of Default;" any one singly, an "Event of Default").

(a) Failure of Mortgagor to (i) make any Debt Service Payment due pursuant to the Loan Agreement, as and when the same is due and payable, (ii) observe or perform any of its obligations under Section 7.04 of the Loan Agreement beyond any applicable cure periods, (iii) observe or perform any other covenants or conditions by Mortgagor to be performed under the terms of this Mortgage or any of the other Financing Documents concerning the payment of money, for a period of ten (10) days after written notice from Mortgagee that the same is due and payable; or (iv) for a period of thirty (30) days after written notice from Mortgagee, to observe or perform any non-monetary covenant or condition contained in this Mortgage or any of the other Financing Documents, provided that if any such failure concerning a non-monetary covenant or condition is susceptible to cure but cannot reasonably be cured within said thirty (30) day period, then Mortgagor shall have an additional thirty (30) day period to cure such failure and no Event

of Default shall be deemed to exist hereunder so long as (x) Mortgagor commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion within such resulting sixty (60) day period from the date of Mortgagee's notice, and (y) the existence of such uncured default will not result in any tenant under a lease having the right to terminate such lease due to such uncured default, and provided further that if a different notice or grace period is specified under the Loan Agreement (or elsewhere in this Mortgage or the Loan Agreement) in which such particular breach will become an Event of Default, the specific provision shall control;

(b) An "Event of Default" occurs under the Loan Agreement or any other Financing Document and is not waived.

6.3 Remedies. At any time after an Event of Default that has not been waived, Mortgagee shall be entitled to invoke any and all of the rights and remedies described below, to the extent permitted by applicable laws, in addition to all other rights and remedies available to Mortgagee at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration. Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver. Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Mortgagee would have, upon entering and taking possession of the Property under subsection (c) below.

(c) Entry. Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor's or the then owner's Books and Records; entering into, enforcing, modifying or canceling Leases on such terms and conditions as Mortgagee may consider proper and in accordance with the lease agreements; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Mortgagee; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Mortgagor shall assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact to perform such acts and execute such documents as Mortgagee in

its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor's name on any instruments.

(d) Cure; Protection of Security. Mortgagee may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage, including, without limitation, completing construction of the improvements at the Property contemplated by the Loan Agreement. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's sole judgment is or may be senior in priority to this Mortgage, such judgment of Mortgagee to be conclusive as among the parties to this Mortgage, except for the Permitted Encumbrances; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Loan Agreement; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Subsection 6.3(d) either with or without giving notice to any person. Any amounts expended by Mortgagee under this Subsection 6.3(d) shall be secured by this Mortgage.

(e) Uniform Commercial Code Remedies. Mortgagee may exercise any or all of the remedies granted to a secured party under the UCC.

(f) Foreclosure; Lawsuits. Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Property at any foreclosure or other sale hereunder, and the amount of Mortgagee's successful bid shall be credited on the Secured Obligations. Without limiting the foregoing, Mortgagee may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction. In addition to the right provided in Subsection 6.3(b), upon, or at any time after the filing of a complaint to foreclose this Mortgage, Mortgagee shall be entitled to the appointment of a receiver of the property by the court in which such complaint is filed, and Mortgagor hereby consents to such appointment.

(g) Other Remedies. Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the Secured Obligations or any part thereof, without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor. Mortgagee shall have the right to pursue all remedies afforded to a mortgagee under applicable law, and shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof.

(h) Sale of Personal Property. Mortgagee shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) For purposes of this power of sale, Mortgagee may elect to treat as personal property any Property which is intangible or which can be severed from the Land or the Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any personal property, in any manner permitted by Article 9 of the UCC, including any public or private sale, or in any manner permitted by any other applicable law.

(ii) In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Mortgagee shall mail written notice of the sale to Mortgagor not later than thirty (30) days prior to such sale. Mortgagee will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Mortgagee will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding the foregoing, Mortgagee shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(i) Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, Mortgagee may in a commercially reasonable manner:

(i) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(ii) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale;" and any two or more, "Foreclosure Sales").

If Mortgagee chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Mortgagee may deem to be in its best interests. No Foreclosure Sale shall terminate the liens of this Mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.4 Credit Bids. At any Foreclosure Sale, any person, including Mortgagor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Mortgagee may settle for the purchase price by crediting the sales price of the property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to pay or reimburse Mortgagee under Section 5.9 of this Mortgage; and

(b) Second, all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose.

6.5 Application of Foreclosure Sale Proceeds. Mortgagee shall apply the proceeds of any Foreclosure Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Mortgagee under Section 5.9 of this Mortgage;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Mortgagee under the terms of this Mortgage which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

6.6 Application of Rents and Other Sums. Mortgagee shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Mortgagee may receive or collect under Section 6.3 above, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the reasonable costs and expenses of operation and collection that may be incurred by Mortgagee or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

Mortgagee shall have no liability for any funds which it does not actually receive.

7. Miscellaneous Provisions.

7.1 Additional Provisions. The Financing Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Financing Documents also grant further rights to Mortgagee and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

7.2 No Waiver or Cure.

(a) Each waiver by Mortgagee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Mortgagee to take action on account of any default of Mortgagor. Consent by Mortgagee to any act or omission by Mortgagor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Financing Documents have been cured); or impair the security of this Mortgage; or prejudice Mortgagee or any receiver in the exercise of any right or remedy afforded any of them under this Mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this Mortgage.

(i) Mortgagee, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Subsection 6.3(c).

(ii) Mortgagee collects and applies Rents as permitted under Sections 2.3 and 6.6 above, either with or without taking possession of all or any part of the Property.

(iii) Mortgagee receives and applies to any Secured Obligation any proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Mortgagee under Section 5.5 above.

(iv) Mortgagee makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.12 above.

(v) Mortgagee receives any sums under this Mortgage or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(vi) Mortgagee or any receiver invokes any right or remedy provided under this Mortgage.

7.3 Powers of Mortgagee.

(a) If Mortgagee performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 5.7 or Subsection 6.3(d) of this Mortgage, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Mortgagor shall not be released or changed if Mortgagee grants any successor in interest to Mortgagor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Mortgagee shall

not be required to comply with any demand by the original Mortgagor that Mortgagee refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Mortgagee may take any of the actions permitted under Subsections 6.3(b) and/or 6.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Mortgage.

(c) From time to time, Mortgagee may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Mortgage. Mortgagee may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

7.4 Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property unless Mortgagee consents to a merger in writing.

7.5 Applicable Law. This Mortgage shall be governed by the laws of the State of New York.

7.6 Successors in Interest. The terms, covenants and conditions of this Mortgage shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 7.6 does not waive the provisions of Section 6.1 above.

7.7 Interpretation.

(a) Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Mortgage are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

(b) The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

(c) No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Mortgage. The Exhibits to this Mortgage are hereby incorporated in this Mortgage.

7.8 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property

marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety.

7.9 Severability. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

7.10 Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three Business Days after mailing (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service or (d) if by telecopier on the day of transmission so long as a copy is sent on the same day by overnight courier as set forth below:

Mortgagor: North Country School
4382 Cascade Road
Lake Placid, New York
Attention: Fritz Sabbow, Chief Financial Officer
Telephone: 518-523-9329

With a copy to: Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
Attention: Michael R. Schulman, Esquire
Telephone: 214-740-8612

Issuer: Essex County Capital Resource Corporation
P.O. Box 217
Elizabethtown, New York 12932
Attention: Jody Olcott, Co-Director & Chief Financial Officer
Telephone: 518-873-9114

With a copy to: Briggs Norfolk LLP
2296 Saranac Avenue
Lake Placid, New York 12946
Attention: Jenifer R. Briggs, Esquire
Telephone: 518-523-5555

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

Any notice or demand delivered to the person or entity named above to accept notices and demands for Mortgagor shall constitute notice or demand duly delivered to Mortgagor, even if delivery is refused.

7.11 Future Advances. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements that Mortgagee may, but shall not be obligated to, make under this Mortgage, the Financing Documents or any other document with respect thereto) at any one time outstanding may be substantially less but shall not exceed Seven Million One Hundred Thousand and 00/100 Dollars (\$7,100,000.00), plus interest thereon, and any disbursements made for the enforcement of this Mortgage and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Property and interest on such disbursements and all disbursements by Mortgagee pursuant to applicable law (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

7.12 Mortgagee's Lien for Service Charge and Expenses. At all times, regardless of whether any Bond proceeds have been disbursed, this Mortgage secures (in addition to any Bond proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee not to exceed the maximum amount secured hereby. For purposes hereof, all obligations of Mortgagor to Mortgagee under all Interest Rate Agreements and any indebtedness or obligation contained therein or evidenced thereby shall be considered an obligation of Mortgagor secured hereby.

7.13 Payment of Mortgage Taxes. Mortgagor shall pay all taxes imposed pursuant to Article 11 of the Tax Law or any other statute, order or regulation, whether said tax is imposed at the time of recording or subsequent thereto, if applicable. This obligation shall survive the satisfaction or other termination of this Mortgage.

7.14 Real Property Law. All covenants hereof, which are in addition to those set forth in Sections 254 and 291-f of the Real Property Law, shall be construed as affording to Mortgagee rights additional to, and not exclusive of, the rights conferred under the provisions of said Sections 254 and 291-f.

7.15 Lien Law. Mortgagor will, in compliance with Section 13 of the Lien Law, receive the advances secured by this Mortgage and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

7.16 Environmental Warranties and Covenants.

(a) Warranties. Mortgagor makes the following representations and warranties: (i) except as previously disclosed in writing by Mortgagor to Mortgagee. Mortgagor

(or the present owner of the Land, if different) is in compliance in all respects with all applicable federal, state and local laws and regulations, including, without limitation, those relating to hazardous substances (the “Environmental Laws”), (ii) except as previously disclosed in writing by Mortgagor to Mortgagee, to Mortgagor’s knowledge, no portion of the Land is being used or has been used at any previous time, for the disposal, storage, treatment, processing or other handling of any hazardous substances, in a manner not in compliance with the Environmental Laws, (iii) except as previously disclosed in writing by Mortgagor to Mortgagee, the soil and any surface water and ground water which are a part of the Land are free from any solid wastes, hazardous substance or contaminant and any discharge of sewage or effluent in all cases in a condition which requires investigation, removal or remediation under Environmental Laws; and (iv) except as previously disclosed in writing by Mortgagor to Mortgagee, neither the federal government nor the State of New York Department of Environmental Conservation or any other governmental or quasi governmental entity has filed a lien on the Land, nor are there any governmental, judicial or administrative actions with respect to environmental matters pending, or to Mortgagor’s actual knowledge, threatened, which involve the Land.

(b) Inspection. Mortgagor agrees that Mortgagee or its agents or representatives may, at Mortgagor’s expense and at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred and is continuing, in which event the notice and hour provisions shall not apply, inspect Mortgagor’s Books and Records and inspect and, upon Mortgagee’s reasonable belief that Mortgagor is in violation of the provisions of this Section 7.16, conduct any tests on the Land reasonably recommended by an environmental professional including taking soil samples in order to determine whether Mortgagor is in continuing compliance with the Environmental Laws.

(c) Agreement to Comply. If any environmental contamination is found on the Property for which any removal or remedial action is required of the owner or operator of the Land pursuant to Environmental Law, Mortgagor agrees that it will at its sole cost and expense, take such removal or remedial action promptly and to Mortgagee’s satisfaction.

(d) Indemnification. Mortgagor agrees to defend, indemnify and hold harmless Mortgagee, its employees, agents, officers and directors from and against any claims, actions, demands, penalties, fines, liabilities, settlements, damages, costs or expenses (including, without limitation, reasonable attorney and consultant fees, investigations and laboratory fees, court costs and litigation expenses of whatever kind or nature known or unknown, contingent or otherwise) arising out of or in any way related to: (i) the past or present disposal, release or threatened release of any hazardous substances on the Land; (ii) any personal injury (including wrongful death or property damage, real or personal) arising out of or related to such hazardous substances; (iii) any lawsuit brought or threatened, settlement reached or government order given relating to such hazardous substances; and/or (iv) any violation of any law, order, regulation, requirement, or demand of any government authority, which are based upon such hazardous substances, but shall not include any conditions arising out of hazardous materials first released or disposed, or violations of Environmental Laws first occurring after Mortgagee takes possession or title to the Land through foreclosure or acceptance of a deed in lieu of foreclosure.

(e) Other Sites. Mortgagor knows of no on-site or off-site locations where hazardous substances from the operation of any Improvement or otherwise have been stored, treated, recycled or disposed of in violation of Environmental Laws.

(f) Leases. Mortgagor agrees not to lease or permit the sublease of the Property to a tenant or subtenant whose operations are reasonably anticipated to result in contamination of the Property with hazardous substances.

(g) Non-Operation by Mortgagee. Mortgagor acknowledges that any action Mortgagee takes under this Mortgage shall be taken to protect Mortgagee's security interest only; Mortgagee does not hereby intend to be involved in the operations of Mortgagor.

(h) Compliance Determinations. Mortgagor acknowledges that any determinations Mortgagee makes under this Section regarding compliance with environmental laws shall be made for Mortgagee's benefit only and are not intended to be relied upon by any other party.

(i) Survival of Conditions. The provisions of this Section shall be in addition to any other obligations and liabilities Mortgagor may have to Mortgagee at common law, and shall survive the transactions contemplated herein.

(j) Definitions. The term "hazardous substance" shall include, without limit, any substance or material defined in 42 U.S.C. Section 9601 (as the same may be amended from time to time), and the New York Environmental Conservation Law or the Resource Conservation And Recovery Act (as each may be amended from time to time) and in any regulations adopted or publications promulgated pursuant to any of the foregoing.

7.17 Costs, Expenses And Attorney's Fees. Should one or more Events of Default occur hereunder, and should an action be commenced for the foreclosure of this Mortgage, Mortgagee shall be entitled to recover all sums due hereunder, statutory costs, and any additional allowances made pursuant to Section 8303(a) of the Civil Practice Law and Rules of the State of New York, and in addition thereto, reasonable attorneys' fees in such proceeding and in all proceedings related thereto necessary to and related to the foreclosing proceeding, and such amount shall be added to the principal balance and interest then due and shall be a lien on the Property prior to any right or title to, interest in or claim upon the Property attaching and accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and the indebtedness which it secures.

7.18 Tax Law Section 253 Statement. Check one box only.

This Mortgage covers real property principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having their own separate cooking facilities.

This Mortgage does not cover real property improved as described above.

Where used herein, the word, "Mortgagor" may be read "Mortgagors" where applicable.

7.19 WAIVER OF TRIAL BY JURY. MORTGAGOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION ARISING IN ANY WAY IN CONNECTION WITH THIS MORTGAGE, THE LOAN AGREEMENT, OR ANY OF THE OTHER FINANCING DOCUMENTS, THE BONDS OR ANY OTHER STATEMENTS OR ACTIONS OF MORTGAGOR OR MORTGAGEE. MORTGAGOR ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS DISCUSSED THIS WAIVER WITH SUCH LEGAL COUNSEL. MORTGAGOR FURTHER ACKNOWLEDGES THAT (i) IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER, (ii) THIS WAIVER IS A MATERIAL INDUCEMENT FOR MORTGAGEE TO ENTER INTO THIS MORTGAGE AND EACH OF THE OTHER FINANCING DOCUMENTS, AND (iii) THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF SUCH OTHER FINANCING DOCUMENTS AS IF FULLY INCORPORATED THEREIN.

7.20 Inconsistencies. In the event of any inconsistency between this Mortgage and the Loan Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid security interest upon the Property, otherwise the provisions of the Loan Agreement shall be controlling.

7.21 UCC Financing Statements. Mortgagor hereby authorizes Mortgagee to file UCC financing statements to perfect Mortgagee's security interest in any part of the Property. In addition, Mortgagor agrees to sign any and all other documents that Mortgagee deems necessary in its sole discretion to perfect, protect, and continue Mortgagee's lien and security interest on the Property.

7.22 No Recourse; Special Obligation.

(a) The obligations and agreements of the Issuer contained herein and in the other Financing Documents and in any other instrument or document executed in connection herewith or therewith, and any other instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Issuer, and not of any member, officer, director, agent (other than Mortgagor) or employee of the Issuer in his individual capacity, and the members, officers, directors, agents (other than Mortgagor) and employees of the Issuer shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby.

(b) The obligations and agreements of the Issuer contained herein and therein shall not constitute or give rise to an obligation of the State of New York or Essex County, New York, and neither the State of New York nor Essex County, New York shall be liable hereon or thereon, and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the payments to be made by Mortgagor to the Issuer under the Loan Agreement and the other security pledged to the payment of the Bonds.

(c) No order or decree of specific performance with respect to any of the obligations of the Issuer hereunder or thereunder shall be sought or enforced against the Issuer unless (1) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, (2) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient, as determined by the Issuer, to cover such reasonable fees and expenses, and (3) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its members, directors, officers, agents (other than Mortgagor) or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify, defend and hold harmless the Issuer and its members, directors, officers, agents (other than Mortgagor) and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, shall furnish to the Issuer satisfactory security, as determined by the Issuer, to protect the Issuer and its members, officers, agents (other than Mortgagor) and employees against all liability expected to be incurred as a result of compliance with such request.

(d) The limitations on the obligations of the Issuer contained in this Section 7.22 by virtue of any lack of assurance or indemnity required by paragraph (c) hereof shall not be deemed to prevent the occurrence and full force and effect of any Event of Default pursuant to Section 6.2 hereof.

7.23 Building Loan.

(a) This Mortgage is made in connection with the Loan Agreement which will be filed as a building loan contract in the Office of the County Clerk of Essex County, New York prior to the recordation hereof, and is subject to all of the provisions thereof as if they were fully set forth in and made a part of this Mortgage.

(b) Notwithstanding anything in the Loan Agreement to the contrary, the entire principal amount of the Bonds available for funding under the Loan Agreement, constitutes the Building Loan and will be advanced pursuant to the provisions of the Loan Agreement. This Mortgage shall be considered and is a bifurcated mortgage to the extent of such amount.

7.24 Recording. The Bank is authorized to record this Mortgage, together with the Assignment of Mortgage, of even date herewith, from the Issuer to the Bank, at any time on or after the occurrence of Mortgage Recordation Event, as further described in the Covenants Agreement.

7.25 Parity Mortgage. Mortgagor is granting a mortgage on the Property to the Bank on the date hereof, pursuant to the Mortgage, Assignment of Rents, Security Agreement and

Fixture Filing, dated as of the date hereof from Mortgagor to the Bank, securing a line of credit from Mortgagor to the Bank (the "Line of Credit Mortgage"), which is a Permitted Lien. This Mortgage is granted to Mortgagee on parity with the Line of Credit Mortgage.

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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

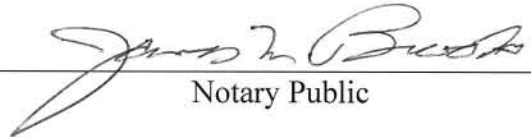
MORTGAGOR:

NORTH COUNTRY SCHOOL

By: 
David Hochschartner
Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 29th day of March in the year 2019 before me, the undersigned, personally appeared David Hochschartner, Executive Director of North Country School, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November-13, 2022

EXHIBIT A
Description of Land

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;

THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;

THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;

THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;

THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;

THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;

THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;

THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;

THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

(Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms

and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

(Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

(The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

(Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a

southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

(Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract to the Northeast corner thereof; thence Westerly along the

Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

(Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;

Thence, South $85^{\circ} 13' 32''$ East, 264.00 feet along the north line of the parcel to a point marked by a $5/8$ inch iron rod, said course passing through a $5/8$ inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;

Thence, South $04^{\circ} 46' 20''$ West, 165.00 feet along the east line of the parcel to a point marked by a $5/8$ inch iron rod;

Thence, North $85^{\circ} 13' 32''$ West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a $5/8$ inch iron rod line marker at a distance of 163.68 feet;

Thence, North $04^{\circ} 46' 28''$ East, 165.00 feet along the west line of the parcel to the Point of Beginning.

(Containing therein 1.00 acre, more or less.)

ACTIVE 41482336v3

Transcript Document No. 6

Continuing Covenants Agreement

CONTINUING COVENANTS AGREEMENT

This **CONTINUING COVENANTS AGREEMENT** (this "Agreement"), made as of March 29, 2019, is between **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (the "Bank"), and **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the "Institution").

RECITALS

A. The Essex County Capital Resource Corporation (the "Issuer") is issuing and selling to the Bank, and the Bank is purchasing from the Issuer an aggregate of \$7,100,000 in principal amount of the Issuer's North Country School Revenue Bonds, Series 2019A and Series 2019B (together with any bonds issued in exchange or replacement therefor, the "Bonds").

B. The Bonds are being issued pursuant to the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Loan Agreement"), among the Issuer, the Institution and the Bank.

C. The proceeds of the Bonds are being loaned to the Institution to finance and refinance certain capital improvements to the Institution's campus, including the construction of a new performing arts center, improvements to the Institution's waste treatment facilities and the renovation of Hansen House, Hike House, Round Lake Cottage and a teaching/learning kitchen, to refinance certain outstanding indebtedness used to finance a portion of the costs of the acquisition of the Round Lake Cottage and the foregoing capital improvements, and to pay costs of issuance, all as further described in the Loan Agreement (collectively, the "Project").

D. Simultaneously with the issuance of the Bonds, the Bank is extending a line of credit to the Institution, in the stated principal amount of \$1,000,000 (the "Line of Credit"), to support the Institution's working capital needs, pursuant to a Loan Agreement, dated as of March 29, 2019 (the "RLOC Loan Agreement"), between the Institution and the Bank, and a Demand Revolving Line of Credit Note, dated March 29, 2019 (the "Note"), from the Institution to the Bank.

E. In connection with the issuance of the Bonds and the Note, the Institution has executed and delivered a Security Agreement, dated as of March 29, 2019 (the "Security Agreement"), between the Institution and the Bank, a Pledge Agreement (Account), dated as of March 29, 2019 (the "Pledge Agreement"), a Control Agreement, dated as of March 29, 2019 (the "Control Agreement"), among the Institution, the Bank and the account holder named therein, a Negative Pledge Agreement, dated as of March 29, 2019 (the "Negative Pledge Agreement"), between the Institution and the Issuer, which Negative Pledge Agreement has been assigned to the Bank, pursuant to an Assignment of Negative Pledge, dated as of March 29, 2019 (the "Negative Pledge Assignment"), from the Issuer to the Bank, an Assignment of Construction Contracts, dated as of March 29, 2019 (the "Assignment of Construction Contracts"), from the Institution to the Bank, and a Hazardous Materials Indemnity Agreement, dated as of March 29, 2019 (the "Hazardous Materials Indemnity Agreement"), among the Institution, the Bank and the Issuer.

F. In addition, the Institution has executed and delivered a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019 (the “Bonds Mortgage”), from the Institution to the Issuer, which Bonds Mortgage has been assigned to the Bank, pursuant to an Assignment of Mortgage, dated as of March 29, 2019 (the “Mortgage Assignment”), and a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019 (the “RLOC Mortgage,” and collectively with the Bonds Mortgage and the Mortgage Assignment, the “Mortgage”), from the Institution to the Bank, which Mortgage may be recorded by the Bank, at the sole cost and expense of the Institution, upon the occurrence of any Mortgage Recordation Event (as defined herein).

G. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Loan Agreement. The term “Financing Documents,” as used herein, means, collectively, this Agreement, the Loan Agreement, the RLOC Loan Agreement, the Note, the Security Agreement, the Pledge Agreement, the Control Agreement, the Negative Pledge Agreement, the Assignment of Construction Contracts, the Hazardous Materials Indemnity Agreement, the Commitment Letter from the Bank to the Institution, dated February 19, 2019, the Bonds Mortgage and the RLOC Mortgage. The term “Obligations,” as used herein means all of the indebtedness, obligations and liabilities of the Institution to the Bank, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of the Loan Agreement, the RLOC Loan Agreement or any other Financing Document or other instruments or agreements executed and delivered pursuant thereto or in connection therewith or this Agreement.

AGREEMENTS

As an inducement to the Bank to purchase and hold the Bonds and extend the Line of Credit to the Institution, the Institution hereby represents, warrants and agrees as follows:

1. Representations and Warranties of the Institution. The Institution represents and warrants as follows, as of the date hereof:

1.1. Corporate Existence and Power. The Institution is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of New York (the “State”), with the full power to own its properties and conduct its business as now conducted and to enter into and perform its obligations under the Financing Documents. The Institution has no subsidiaries. The Institution is duly qualified and in good standing as a foreign corporation in any jurisdictions wherein the nature of the business transacted by the Institution or property owned by the Institution makes such qualification necessary.

1.2. Corporate Authority. The Institution has the corporate power and authority to enter into and perform the Financing Documents, and to incur the obligations provided for therein. The execution, delivery and performance of the Financing Documents have been duly authorized on the part of the Institution by all necessary corporate action, and the execution, delivery and performance thereof will not (immediately or with the passage of time, the giving of notice, or both): (a) violate its corporate charter, as amended, or by-laws; or (b) violate any applicable law, or result in a default under any contract, agreement, or instrument to which the Institution is a party or by which the Institution or any of its property is bound, in each case, that

would reasonably be expected to result in a Material Adverse Effect (as hereinafter defined); or (c) result in the creation or imposition of any security interest in, or lien or encumbrance upon, any of the assets of the Institution, except in favor of the Bank (directly or by assignment).

1.3. Binding Effect. The Financing Documents are the legal, valid and binding obligations of the Institution and are enforceable against the Institution in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally from time to time in effect, to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing), regardless of whether considered in a proceeding in equity or at law and the availability of the remedy of specific performance, and certain provisions indemnifying persons against their own negligence may be void as against public policy.

1.4. Financial Statements. The Institution has delivered to the Bank its financial statements, including a statement of financial position, as of August 31, 2018, and the related statement of activities and statement of cash flows for the fiscal year then ended, audited by Martindale Keysor & Co., PLLC (the "2018 Financial Statements"). The 2018 Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved and are correct and complete and fairly present the financial condition and the results of operations of the Institution at the dates and for the periods indicated. As of August 31, 2018, the Institution had no material liabilities, contingent or otherwise, except as set forth on the 2018 Financial Statements, and since such date there has been no material adverse change in the financial condition, business operations or properties of the Institution and no material liabilities have been incurred by the Institution.

1.5. Nature and Place of Business. The Institution is a not-for-profit corporation operating a school for grades 4 through 9 and a summer camp for children aged 8 to 14 and the principal place of business and chief executive offices of the Institution are located at 4382 Cascade Road, Lake Placid, New York.

1.6. Existence of Assets and Title Thereto. The Institution has good and valid title to all properties and assets reflected in the 2018 Financial Statements, subject to no lien, encumbrance or charge of any kind except as disclosed in the 2018 Financial Statements, and except for Permitted Liens (as defined in the Security Agreement).

1.7. Indebtedness. As of the date hereof, the Institution has no indebtedness outstanding other than as set forth in **Schedule 1.7** attached hereto ("Existing Indebtedness") and a loan in the outstanding principal amount of \$2,778,703.48 from NBT Bank, N.A. (the "Refinanced Loan"), which will be refinanced with a portion of the proceeds of the Bonds and an equity contribution from the Institution in the amount of \$5,300. The Institution is not in default with respect to any Existing Indebtedness.

1.8. Third-Party Compliance. To the Institution's knowledge, all parties to all material leases, contracts, and other commitments to which the Institution is a party ("third-party agreements") have complied with the provisions of such third-party agreements, no party is in default under any such third-party agreement, and no event has occurred which, but for the

giving of notice or the passage of time, or both, would constitute a default under any such third-party agreement.

1.9. First Priority Liens. The liens and security interests created pursuant to the Loan Agreement and the other Financing Documents are in all cases first priority liens, subject only to Permitted Liens.

1.10. Litigation. There are no suits or proceedings pending or, to the knowledge of the Institution, threatened in writing against the Institution or against or affecting any of its properties, by or before any court or governmental authority that would reasonably be expected to result in a Material Adverse Effect (as defined below), which have not been disclosed in writing to the Bank. “Material Adverse Effect” means a material adverse change in or effect on (or a series of related changes in or effects on) (i) the financial condition, assets or liabilities, or results of operations (financial or otherwise) of the Institution, (ii) the ability of the Institution to perform its obligations in all material respects under this Agreement or the other Financing Documents, or (iii) the validity or enforceability of this Agreement or the other Financing Documents.

1.11. Compliance with Applicable Laws; Permits. The Institution is in compliance with all applicable statutes, regulations, restrictions, orders, judgments and decrees of all governmental authorities having jurisdiction over it or its business (collectively, the “Legal Requirements”), all to the extent that failure to comply with any of such Legal Requirements would (singly or in the aggregate) reasonably be expected to result in a Material Adverse Effect. The Institution has all material licenses, permits and approvals necessary for the conduct of its business and the use of its properties and assets, as presently conducted, owned and used or as proposed to be conducted, owned and used. The Institution has not received any notice in writing, not heretofore complied with, from any governmental authority or any licensing, accreditation or inspection body that any of its properties, facilities, equipment, procedures or practices fails to comply in any material respect with any applicable Legal Requirements. No authorization, consent, approval, license, exemption or filing or registration with any governmental authority is or will be necessary to the valid execution or delivery of, or for the performance in all material respects by the Institution of the Financing Documents, except for the Mortgage, or any other instrument provided for in this Agreement.

1.12. Tax Returns and Payments. All tax returns and reports of the Institution required by law to have been filed have been duly filed and all taxes, fees and other governmental charges shown thereon which are due and payable have been paid. No deficiency assessment or proposed adjustment of any federal, state or local taxes of the Institution is pending, and the Institution does not know of any liability or basis therefor for any income or other tax to be imposed upon it or any of its properties or assets for which adequate provision has not been made.

1.13. Licenses, Patents and Trademarks. The Institution owns or has a valid right to use all of the patents, licenses, copyrights, trademarks, trade names and franchises now being used to conduct its business. To the Institution’s knowledge, the conduct of the Institution’s business as now operated does not conflict with valid patents, licenses, copyrights, trademarks, trade names or franchises of others in any manner that would reasonably be expected to result in a Material Adverse Effect.

1.14. Burdensome Contracts. Before entering into the Financing Documents, the Institution is not a party to any contract or agreement, the terms of which now have or, as far as reasonably can be foreseen, would reasonably be expected to result in a Material Adverse Effect.

1.15. Financial Condition of Institution. After giving effect to the transactions contemplated hereby and by the Financing Documents, the Institution (a) expects to be able to pay its debts as they become due, (b) expects to have funds and capital sufficient to carry on its business as now conducted and as intended to be conducted, and (c) is not insolvent and does not expect to be rendered insolvent as determined by applicable law.

1.16. Disclosure. This Agreement, the other Financing Documents and all other documents, certificates and statements furnished to the Bank by or on behalf of the Institution in connection with the issuance and sale of the Bonds by the Issuer, the purchase of the Bonds by the Bank or the extension by the Bank of the Line of Credit, do not contain any untrue statement of a material fact or collectively omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were furnished, not misleading. To the knowledge of the Institution, there is no fact or circumstance, not of general knowledge, that would reasonably be expected to result in a Material Adverse Effect that has not been disclosed herein or in another written document furnished to the Bank by the Institution.

1.17. Fiscal Year. The Institution's fiscal year ends on August 31.

1.18. Event of Default. No "default" or Event of Default (each as specified in Section 8) exists.

1.19. Environmental Matters. Subject to the terms of the Hazardous Materials Indemnity Agreement, (a) the Institution has complied in all material respects with all environmental laws regarding the transfer, construction on and operation of its business and property, including but not limited to notifying authorities, observing restrictions on use, transferring, modifying or obtaining permits, licenses, approvals and registrations, making required notices, certifications and submissions, complying with financial liability requirements, managing hazardous substances, and responding to the presence or release of hazardous substances connected with the operation of its business or property; and (b) the Institution has not received any written notice from any regulatory body regarding any of the foregoing.

1.20. ERISA Compliance. Any Employee Pension Benefit Plans, as defined in the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), of the Institution meets, as of the date hereof, the minimum funding standards of 29 U.S.C.A. 1082 (Section 302 of ERISA), and no "reportable event" (as defined in ERISA) or "prohibited transaction" (as defined in the IRC), has occurred with respect to any Employee Pension Benefit Plan of the Institution.

1.21. Investment Company Act. The Institution is not directly or indirectly controlled by, or acting on behalf of, any Person which is an "Investment Company," within the meaning of the Investment Company Act of 1940, as amended.

All of the representations and warranties set forth in this Section 1 shall survive until the all Obligations have been paid in full and there remain no outstanding Obligations of the Institution to the Bank under any of the Financing Documents.

2. Financial and other Information. The Institution agrees that so long as any of the Obligations or any commitments thereunder remain outstanding, the Institution will furnish directly to the Bank the following:

2.1. Financial and Operating Reports. (a) As soon as available, and in any event not later than 120 days after the end of each fiscal year of the Institution, annual audited financial statements of the Institution, including a statement of financial position as of the end of such year and a statement of activities and statement of cash flows for such fiscal year (the "Financial Statements"), all in reasonable detail, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, prepared in accordance with generally accepted accounting principles consistently applied and audited by independent certified public accountants reasonably acceptable to the Bank.

(b) Promptly after receipt, a copy of all audits or reports submitted to the Institution by independent public accountants in connection with any annual, special or interim audits of the books of the Institution and any "management letter" prepared by such accountants. Each management letter relating to the Institution's annual financial statements will be delivered not later than 150 days after the end of the fiscal year to which such management letter relates.

(c) At the time of delivery of the Financial Statements, a certificate, substantially in the form of **Exhibit 2.1** attached hereto (the "Annual Compliance Certificate"), executed by the Executive Director or Chief Financial Officer of the Institution setting forth the computations necessary to determine compliance with Section 3 hereof and stating:

(i) The Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved and fairly present the financial condition and the results of operations of the Institution at the dates and for the periods indicated;

(ii) the Institution has good and valid title to all properties and assets reflected in the Financial Statements, subject to no lien, encumbrance or charge of any kind except as disclosed in such financial statements, and except for Permitted Liens; and

(iii) that he or she has reviewed this Agreement and the other Financing Documents and (A) has no knowledge of any default by the Institution in the performance or observance of any of the provisions of this Agreement or any Financing Document, or, if he or she has such knowledge, specifying each such default and the nature thereof, and (B) that the representations and warranties of the Institution set forth herein are true and correct as of the date of such certificate, except as may be set forth in such certificate.

(d) As soon as available, and in any event not later than 120 days after the end of each fiscal year of the Institution, a report of operating data of the Institution, including annual

enrollment statistics (for both North Country School and Camp Treetops), admissions data, annual tuition and fees, and financial aid information.

(e) As soon as available, and in any event not later than October 31 of each year, the annual operating and capital budgets of the Institution for the then current fiscal year, in form and substance satisfactory to the Bank.

(f) As soon as available and in any event not later than 45 days after February 28 and August 31 of each year, management-prepared semi-annual financial statements, including a statement of financial position, a statement of activities and a statement of cash flows, prepared in accordance with generally accepted accounting principles consistently applied, in form and substance satisfactory to the Bank, such statements to be unaudited but complete and accurate as of the dates thereof and for the periods covered thereby and certified as accurate (subject to normal year-end audit adjustments and notes thereto) by the chief financial officer of the Institution.

(g) As soon as available and in any event not later than 30 days after the end of each month, monthly account statements for each of the Institution's investment accounts, in form and substance satisfactory to the Bank.

2.2. Insurance. At the time of filing the Annual Compliance Certificate, a certificate of insurance listing the current coverages in effect, which shall be in compliance with the provisions of Section 5.3.

2.3. Material Adverse Effect. Promptly after the Institution has knowledge thereof, written notice of any event or condition that has had or would reasonably be expected to result in a Material Adverse Effect.

2.4. Accountants. Promptly upon any change of the Institution's independent public accountants, notification thereof and such further information as the Bank may reasonably request concerning the resignation, refusal to stand for reappointment after completion of the current audit or dismissal of such accountants.

2.5. Litigation. As soon as practicable, and in any event within 15 Business Days after the Institution learns of any proceeding(s) being instituted or threatened in writing to be instituted by or against the Institution or its property in any federal, state, local or foreign court or before any arbitration or mediation panel, commission or other regulatory body (federal, state, local or foreign) that would reasonably be expected to have a Material Adverse Effect, notification thereof and such further information as the Bank may reasonably request.

2.6. Reportable Event. As soon as possible and in any event within 30 days after the Institution knows or has reason to know that any event which would constitute a reportable event under ERISA with respect to any employee pension or other benefit plan subject to ERISA has occurred, or that the Pension Benefits Guaranty Corporation, or any successor thereto (the "PBGC") or the Institution has instituted or will institute proceedings to terminate such plan, a certificate of the executive director or chief financial officer of the Institution setting forth details as to such reportable event and the action which the Institution proposes to take with respect thereto, together with a copy of any notice of such reportable event which may be required to be

filed with the PBGC, or any notice delivered by the PBGC evidencing its intent to institute such proceedings, or any notice to the PBGC that the plan is to be terminated, as the case may be.

2.7. Event of Default. As soon as possible and in any event within seven days after the occurrence of any Event of Default or any event which, with the giving of notice or the lapse of time or both, is reasonably likely to become an Event of Default of which the Institution is aware, a statement of the Institution setting forth details of each such Event of Default or event and the action which the Institution proposes to take with respect thereto.

2.8. Additional Information. From time to time such other information on the financial condition, properties and business of the Institution, as the Bank may reasonably request. The Institution will permit persons designated by the Bank to inspect its properties and corporate and financial books and records and to discuss its affairs with its officers and employees at such reasonable times during normal business hours as requested and upon reasonable notice.

2.9. Confidentiality. Information furnished pursuant to this Section 2 shall be for the information of the Bank and shall not be disclosed to others except in connection with any sale or proposed sale or assignment of the Bonds or the Note or any interest therein, or in order for the Bank to enforce its remedies hereunder or under the Financing Documents, and except as may be required by law or any authority to the jurisdiction of which a Bank may be subject, provided that information furnished to a Bank and designated by the Institution as confidential or as involving trade secrets shall not be disclosed other than as required by law.

3. Financial Maintenance Covenants. The Institution agrees that so long as any of the Obligations or any commitments thereunder remain outstanding:

3.1. Debt Service Coverage Ratio. The Institution shall maintain a ratio of Operating Cash Flow (as hereinafter defined) to Total Debt Service (as hereinafter defined) equal to at least 1.15 to 1.00, tested annually as of each August 31, beginning on August 31, 2019. "Operating Cash Flow" shall mean, for any period and with respect to the Institution, the change in unrestricted net assets plus interest, depreciation and amortization expenses, plus unrealized and realized investment losses, less unrealized and realized investment gains and extraordinary items. "Total Debt Service" shall mean, for any period and with respect to the Institution, the total of (i) interest charges paid or required to be paid during such period, plus (ii) all regularly scheduled principal payments made or coming due in respect of any indebtedness for borrowed money or capital leases during such period. Notwithstanding the foregoing definition, should the Institution appropriate unrestricted endowment funds to support operations in accordance with the policy of its Board of Trustees, the amount of such appropriation shall be added to the numerator of the ratio to the extent that the appropriation is not captured in the increase or decrease in unrestricted net assets as shown in the Financial Statements.

3.2. Liquidity Ratio. The Institution shall maintain a ratio of Liquid Assets (as hereinafter defined) to Total Debt (as hereinafter defined) equal to at least 0.60:1.00, tested annually as of each August 31, beginning on August 31, 2019. "Liquid Assets" shall mean unrestricted and temporarily restricted cash and cash equivalents and all other short-term and long-term investments of the Institution (other than permanently restricted endowment funds). "Total Debt" shall mean all obligations of the Institution outstanding to the Bank plus all other

long-term indebtedness of the Institution (i.e., indebtedness with a maturity greater than 12 months).

3.3. Computation of Financial Covenants. All determinations as to amounts and classification of items under this Section 3 will be made in accordance with generally accepted accounting principles applied on a basis consistent with, and shall be based on, the Financial Statements.

4. Negative Covenants. The Institution agrees that so long as any of the Obligations or any commitments thereunder remain outstanding it will not:

4.1. Maintenance of Corporate Existence. Merge or consolidate with another entity; sell, lease, transfer or otherwise dispose of all or a material part of its assets; purchase all or a substantial part of the assets of, or acquire a controlling interest in, any other entity; or permit any other corporation, trust or other entity to obtain a controlling interest in the Institution.

4.2. Maintenance of Operations. Sell or otherwise dispose of (other than portions that are worn out or obsolete), or for any reason cease operating, any of the locations comprising the Mortgaged Property or otherwise cease any of its operations, except for operations that the Institution reasonably determines to cease in the ordinary course of its business, provided that such cessation of operations would not reasonably be expected to result in a Material Adverse Effect.

4.3. Additional Indebtedness. Incur additional indebtedness, directly or indirectly through any other Person, after the date of execution of this Agreement, other than the following (collectively, "Permitted Indebtedness"): (a) guarantees or other contingent liabilities expressly permitted by Section 4.6; (b) Existing Indebtedness as listed on **Schedule 1.7**; (c) purchase money indebtedness and capital lease financing owed to vendors or lessors of equipment used in the operations of the Institution, in an amount not exceeding \$200,000 in the aggregate at any one time; (d) credit card advances in an outstanding amount not to exceed \$50,000 in the aggregate at any one time for expenses incurred in the ordinary course of business; and (e) indebtedness to the Bank, including the Institution's obligations with respect to the Bonds and the Note.

4.4. Liens. Lien, pledge, mortgage, grant or permit to exist a security interest in any of its real or personal property to any Person, other than Permitted Liens, or covenant with any Person (other than the Bank) that it will not so lien, pledge, mortgage, grant or permit to exist a security interest in any of its assets.

4.5. Change of Name; Location. Cause or permit any change in its name, state of organization, state identification number or federal tax identification number, or the location of any of its places of business, without at least 30 days' prior written notice to the Bank.

4.6. Guarantees. Become liable, directly or indirectly, as guarantor or otherwise for any obligation of any other Person, except for the endorsement of commercial paper for deposit or collection in the ordinary course of business.

4.7. Subsidiaries. Organize, form or acquire any subsidiary, or become a subsidiary of any Person, or make any investment in (including any assignment of inventory or other property), or make any loan in the nature of an investment to, any Person, except for Permitted Investments and investments made in accordance with an investment policy duly adopted by the Board of Trustees of the Institution, a copy of which shall be provided to the Bank.

4.8. Prepayments. Prepay any indebtedness, except Permitted Indebtedness in accordance with the terms thereof.

4.9. Waiver of Debt. Waive any debt or claim, except in the ordinary course of its business.

4.10. Valuation of Assets. Write up (by creating an appraisal surplus or otherwise) for the purposes of its financial statements the value of any assets of the Institution above their cost to the Institution, less the depreciation regularly allowable thereon.

4.11. Sale-Leaseback. Enter into any sale-leaseback transaction.

4.12. Investments. Acquire or agree to acquire any stock in, or any of the assets of, any Person, except for Permitted Investments and investments made in accordance with an investment policy duly adopted by the Board of Trustees of the Institution, a copy of which shall be provided to the Bank.

4.13. Margin Securities. Directly or indirectly apply any part of the proceeds of the Bonds or the Note to the purchasing or carrying of any "margin security" or "margin stock" within the meaning of Regulations T, U and X of the Board of Governors of the Federal Reserve System, or any regulations, interpretations, or rulings thereunder.

4.14. Misstatements. Furnish the Bank any certificate or other document that as of its date contains any untrue statement of material fact or that, together with any other certificate or other document furnished to the Bank, omits to state a material fact necessary to make it not misleading in light of the circumstances under which it is furnished.

4.15. Fiscal Year. Change its fiscal year nor its methods of applying any accounting principles, unless the Institution promptly notifies the Bank of such change and the Institution enters into an amendment to this Agreement (to the extent reasonably required by the Bank) in order to preserve unimpaired the obligations imposed on the Institution by this Agreement, such amendment to be reasonably satisfactory in form and substance to the Bank.

4.16. Loans. Make any loan or advances to any officer, member, trustee, director or employee of the Institution, except for business travel, technology loans and similar temporary advances in the ordinary course of business, provided that the aggregate outstanding principal amount of all such loans shall not exceed \$25,000 at any one time.

5. Additional Covenants. The Institution agrees that so long as any of the Obligations or any commitments thereunder remain outstanding, it will:

5.1. Corporate Existence. Maintain its nonprofit corporate existence and qualification in each jurisdiction in which the failure to be so qualified would reasonably be expected to result in a Material Adverse Effect, and continue to be engaged principally in the business described in Section 1.5 and no other.

5.2. Rates and Charges. Subject to any limitations imposed by law or regulations, charge and collect fees and charges which, together with any other moneys legally available to it, are projected to provide moneys sufficient at all times (i) to make the payments required by the Loan Agreement, the RLOC Loan Agreement and the other Financing Documents and comply with the Financing Documents in all other respects, and (ii) to satisfy all other obligations of the Institution in a timely fashion. Without limiting the generality of the foregoing, the Institution shall, subject to applicable laws or regulations, charge and collect fees and charges in each fiscal year sufficient to comply with the financial covenants set forth in Sections 3.1 and 3.2.

5.3. Insurance. Maintain insurance with respect to all of its buildings, improvements and fixtures against such casualties and contingencies as shall be in accordance with the general practices of similar organizations located in similar geographic areas as the Institution and in amounts, containing such terms, with such self-insured retentions, in such forms and for such periods as may be reasonable and prudent. The Institution also shall (i) to the extent required by law, carry workers' compensation insurance, disability insurance and other insurance covering injury, sickness, disability or death of employees, and (ii) maintain insurance against liability of the Institution imposed by law or assumed by contract for injuries to persons, and for death of persons from such injuries in a minimum amount of \$1,000,000 per occurrence and \$3,000,000 in the aggregate per policy year, and for damage to property in a minimum amount of \$3,000,000 in the aggregate per policy year. All insurance will (i) be written by companies of recognized responsibility authorized to write such insurance in the State and having a Best's financial rating of B or better, (ii) be in amounts and on forms reasonably satisfactory to the Bank, (iii) name the Bank as additional insured, loss payee and mortgagee, and (iv) contain a provision that it may not be cancelled or modified without at least 30 days' prior written notice to the Bank. The Institution shall file with the Bank annually current certificates of all such insurance in accordance with Section 2.2.

5.4. Maintenance of Properties. Maintain its properties, including without limitation all properties held by it as lessee, in good repair so that its business may be properly and advantageously conducted at all times.

5.5. Tax Liabilities. During its fiscal year accrue all current tax liabilities, required withholding of income taxes of employees, required social security, pension and unemployment contributions, and pay the same when they become due, except such liabilities as are being contested in good faith against which adequate reserves have been established and as to which no proceedings to foreclose have been commenced.

5.6. Accounting Practices. Keep proper books of account in which complete and accurate entries will be made of all transactions in accordance with generally accepted accounting principles on a basis consistent with the financial statements furnished pursuant to Section 2.1, and use commercially reasonable efforts to collect its accounts.

5.7. Compliance with Laws. Comply with all applicable statutes and regulations of each governmental authority having jurisdiction over its business, noncompliance with which would reasonably be expected to result in a Material Adverse Effect. Manage hazardous substances in accordance with the provisions of the Hazardous Materials Indemnity Agreement.

5.8. Deposit Accounts. Establish with the Bank no later than 30 days after the date hereof and thereafter maintain so long as any Obligations are outstanding, all of its primary operating accounts and project accounts at the Bank, from which debt service on the Bonds and the Line of Credit will be debited automatically. Notwithstanding the foregoing, the Institution may maintain secondary accounts at a local financial institution for cash purposes with an average monthly aggregate balance not in excess of 10% of its total cash balance at any time.

5.9. Investment Account. The Institution shall establish on or prior to the date hereof and maintain throughout the term of the Series 2019B Bonds and the Line of Credit, an investment account with the Bank that, within 10 days of the date hereof, will contain the Institution's fixed income bond portfolio and cash endowment contributions (the "Investment Account"). Not later than 10 days after the date hereof and thereafter, so long as any of the Series 2019B Bonds or the Line of Credit or any commitments thereunder remain outstanding, the Institution shall maintain in the Investment Account investments with a market value, together with any cash balance in the Investment Account, equal to at least \$4,800,000.

5.10. Inspection. Permit persons designated by the Bank to inspect the Institution's place or places of business (or any other place where the Mortgaged Property or any information relating thereto or to the Project is kept by the Institution) and review the corporate and financial books and records of the Institution and discuss the Institution's affairs with its officer and employees, at such reasonable times during normal business hours as requested and upon reasonable notice (except that following a default or an Event of Default or in the case of an emergency as determined by the Bank, the Bank may conduct such inspection at any time without such notice).

5.11. Payment of Indebtedness. Pay when due (or within applicable grace periods) Permitted Indebtedness, except when the amount thereof is being contested in good faith by appropriate proceedings and with adequate reserves therefor being set aside on its books. If default be made by the Institution in the payment of any principal (or installment thereof) of, or interest on, any such indebtedness beyond any applicable notice and cure periods, the Bank shall have the right, in its sole discretion, five Business Days after written notice to the Institution thereof, to pay such interest or principal for the account of the Institution and be reimbursed by the Institution therefor.

5.12. Change of Location. The Institution will notify the Bank 30 days prior to the establishment of any new, or the discontinuance of any existing, place of business.

5.13. Further Assurances. Execute and deliver, or cause to be executed and delivered, to the Bank from time to time, promptly upon request therefor, any and all other and further instruments (including correction instruments) that may reasonably be requested by the Bank to cure any deficiency in the execution and delivery of this Agreement or any Financing Document.

5.14. ERISA Compliance. (a) Fund any of its Employee Pension Benefit Plans in accordance with no less than the minimum funding standards of 29 U.S.C.A. 1082 (Section 302 of ERISA); (b) furnish the Bank upon request with copies of any reports or other statements filed with the United States Department of Labor or the Internal Revenue Service with respect to any such Plan; and (c) promptly advise the Bank of the occurrence of any “reportable event” (as defined in ERISA) or “prohibited transaction” (as defined in the Code) with respect to any Employee Pension Benefit Plan.

6. Conditions to Disbursement of Bond Proceeds. Disbursements of Bond proceeds from the Construction Fund established under the Loan Agreement shall be made in accordance with and subject to the provisions of Section 4.04 of the Loan Agreement and **Schedule 6** attached hereto. The Bank may engage, in its sole discretion but at the cost and expense of the Institution, a construction representative (the “Construction Representative”) to perform the services for the Bank set forth in **Schedule 6**. The Bank may require the Construction Representative to review the estimated construction costs for the Project and the Plans (as defined in **Schedule 6**). In addition to its other responsibilities as set forth in **Schedule 6**, at the direction of the Bank, the Construction Representative may conduct periodic inspections of the Project and make periodic reports to the Bank with respect thereto, to ensure that all work performed on the Project has been performed in a good and workmanlike manner. The function of the Construction Representative shall be solely to assist the Bank, and neither the Bank, nor its agents or employees, shall be liable either directly or indirectly for any loss, claim or damage which may arise as a result of negligence, defective or inappropriate design, materials, workmanship or supervision. The Institution hereby agrees to hold the Bank harmless and indemnified from any such loss, claim or damage.

7. Mortgage Recordation. On or prior to the date hereof, the Institution shall have delivered to the Bank, with respect to the Mortgaged Property: (i) a title report acceptable to the Bank, (ii) the Mortgage, duly executed by the Institution, in form and substance satisfactory to the Bank; (iii) copies of any environmental reports previously prepared with respect to the Mortgaged Property, and (iv) evidence that the Mortgaged Property is not located in a federally designated “special flood hazard area” or if the Mortgaged Property is located in a federally designated “special flood hazard area,” a flood insurance policy with terms and coverage satisfactory to the Bank.

The Mortgage may be recorded in the office of the Essex County Clerk only upon the Institution’s failure to comply with any of the covenants set forth in Section 3 of this Agreement, or the occurrence of any other Event of Default that has not been waived by the Bank (each, a “Mortgage Recordation Event”). Upon the occurrence of a Mortgage Recordation Event, the Bank may, and hereby is authorized by the Institution to record the Mortgage in the office of the Essex County Clerk and, in connection therewith, the Institution shall promptly provide to the Bank, as soon as reasonably possible thereafter, (a) a title policy and a lender’s title insurance binder (the “Title Policy”) issued by an insurance company authorized to transact business in New York and acceptable to the Bank naming the Bank as insured and insuring that the Mortgage creates a continuing, valid lien on the Mortgaged Property prior to all liens (other than Permitted Liens), fully securing the Obligations and on terms and conditions reasonably satisfactory to the Bank, (b) a current legal description and updated survey of the Mortgaged Property, certified to the Bank and the title company, (c) a certificate of insurance from an independent insurance broker confirming the insurance required to be maintained pursuant to the Mortgage, naming the Bank as

mortgagee and loss payee with respect to such insurance, (d) copies of all environmental reports with respect to the Mortgaged Property, including an updated environmental report at the option of the Bank, and (e) such other documents, agreements and information, including opinions of counsel, that the Bank may reasonably request, including without limitation a re-executed and re-dated Mortgage in the same form as previously executed by the Institution, to the extent required by the Essex County Clerk, and such documents and instruments as may be necessary to discharge or release any liens or encumbrances on the Mortgaged Property other than Permitted Liens. The Title Policy shall contain no exceptions, except such exceptions as the Bank shall approve in writing, and shall affirmatively insure against all mechanics' and materialmen's liens, and that the Mortgaged Property has access to a public way for contemplated purposes, and shall contain such other endorsements as are required by the Bank. The Institution further agrees to pay all title insurance premiums, recording and filing fees and charges and other expenses incurred in connection with the recording of the Mortgage and the delivery of the other documents required pursuant to this Section 7. The recording of the Mortgage shall not be deemed to cure or waive any Event of Default under any of the Financing Documents.

8. Default and Remedies.

8.1. Event of Default. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

(a) Representations. Any representation or warranty made by the Institution herein or in any financial statement, document or instrument furnished to the Bank in connection with the purchase of the Bonds, the extension of the Line of Credit or pursuant to this Agreement, the Loan Agreement, the RLOC Loan Agreement or any other Financing Document is false or misleading in any material respect on the date it was intended to be effective.

(b) Certain Covenants. The Institution shall fail to observe or perform any covenant or agreement contained in Sections 3, 4, 5.1, 5.3, 5.8, 6 or 7 herein.

(c) Other Covenants. The Institution shall fail to (i) make any payment required hereunder within 10 days of the same becoming due, or (ii) observe or perform any covenant or agreement (other than those set forth in Section 8.1(b)) by it in this Agreement, and such failure is not remedied within 30 days after written notice thereof is given to the Institution; provided that if such failure reasonably cannot be cured within such 30-day period and so long as the Institution commences and diligently proceeds to cure such default within such 30-day period, the period of time to cure such default shall be extended for an additional 30 days.

(d) Financing Documents; Other Indebtedness. (i) An Event of Default as defined in the Loan Agreement or the RLOC Loan Agreement, or (ii) any default or event of default under any other Financing Document shall occur that continues beyond all applicable notice and/or grace periods, or a default shall occur with respect to any other obligation of the Institution to the Bank or any affiliate thereof, which default continues beyond the expiration of all applicable notice and/or grace periods, or (iii) a breach shall occur (and continue beyond any applicable notice and/or grace period) with respect to the payment by the Institution with respect to other indebtedness, or with respect to the performance of any agreement securing such indebtedness or pursuant to which the same was issued or incurred, or an event shall

occur with respect to provisions of any such agreement relating to matters of the character referred to in this section, so that a holder or holders of such indebtedness or a trustee or trustees under any such agreement accelerates or is entitled to accelerate any such indebtedness. The Institution shall notify the Bank of any such breach or event immediately upon the Institution's becoming aware of its occurrence and shall from time to time furnish such information as the Bank may reasonably request for the purpose of determining whether a breach or event described in this clause (iii) has occurred.

(e) Voluntary Bankruptcy. The Institution shall commence a voluntary case under the federal bankruptcy or state receivership laws, or shall admit in writing its insolvency or its inability to pay its debts as they become due, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property or shall generally not pay its debts as they become due.

(f) Appointment of Receiver. A trustee, receiver, custodian or similar official or agent shall be appointed for the Institution or any substantial part of its property and shall remain undismissed after 60 days.

(g) Involuntary Bankruptcy. The Institution shall have an order or decree for relief in an involuntary case under the federal bankruptcy or state receivership laws entered against it, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for 60 days.

(h) Judgments. One or more final non-appealable judgments for payment of money in excess of \$10,000 more than the amount of insurance coverage available therefor shall be rendered against the Institution and shall remain undischarged for a period of 60 days during which execution shall not be effectively stayed.

(i) Possession by Creditor. A judgment creditor of the Institution shall obtain possession of any portion of the Mortgaged Property by any legal means, including (without implied limitation) levy, distraint, replevin, or self-help and the same shall not be invalidated or dissolved within 60 days.

(j) Sale of the Mortgaged Property. (i) The Mortgaged Property, or any part thereof (other than portions that are worn out or obsolete) or any interest in the Mortgaged Property shall be sold or conveyed; (ii) title to the Mortgaged Property or any interest therein shall be divested; (iii) the Mortgaged Property is further encumbered or pledged, other than by Permitted Liens; or (iv) any lease which gives the lessee any option to purchase the Mortgaged Property, or any part thereof is entered into, in each case, without the prior written consent of the Bank.

(k) Material Adverse Effect. A Material Adverse Effect shall occur.

(l) Illegality. This Agreement or any of the other Financing Documents shall prove to be illegal or unenforceable in any material respect.

A default shall exist hereunder upon the occurrence of any of the foregoing events without regard to any lapse of time or notice.

8.2. Remedies. Upon the occurrence of an Event of Default hereunder that has not been waived by the Bank, the Bank shall have all of the same rights and remedies available to the Bank following an Event of Default under the Loan Agreement and the other Financing Documents.

9. Consent to Amendments. This Agreement may be amended by an instrument in writing executed by the Institution and the Bank. Any covenant or agreement required to be performed by the Institution may be modified or waived, and any Event of Default may be waived, with the written consent of the Bank.

10. Payment of Expenses. The Institution shall pay on demand all of the Bank's reasonable expenses (including reasonable fees and disbursements of counsel) in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Financing Documents, and incurred by the Bank in taking any action hereunder at the request of the Institution or resulting from the failure of the Institution to pay or perform any of its obligations hereunder or under any other Financing Document, or incurred in the exercise of its rights while a default or an Event of Default exists. Any expenses and costs which the Bank may be entitled to receive from the Institution hereunder, if not paid when due, shall bear interest at the Default Interest Rate.

11. No Waiver. No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. Provisions to Survive. All representations, warranties, covenants and agreements contained herein shall survive until all the Obligations have been paid in full and no commitments thereunder are outstanding.

13. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns (whether or not an express assignment of rights hereunder is made). No other person or entity shall acquire or have any right under or by virtue of this Agreement. The Institution may not assign its rights or delegate its duties hereunder except with the prior written consent of the Bank.

14. Waiver of Jury Trial. THE INSTITUTION AND THE BANK HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE LOAN AGREEMENT, THE RLOC LOAN AGREEMENT, ANY OTHER FINANCING DOCUMENT, OR ANY OTHER DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTIES, THIS WAIVER BEING A MATERIAL INDUCEMENT FOR THE BANK TO ACCEPT THIS AGREEMENT, THE LOAN AGREEMENT, THE RLOC LOAN AGREEMENT, AND THE OTHER FINANCING DOCUMENTS.

15. Notices. Any request, authorization, direction, notice, consent, waiver or other document provided by this Agreement shall be in writing and shall be deemed sufficiently given when mailed by registered or certified mail, postage prepaid, or sent by overnight mail or by private courier service providing evidence of receipt, or delivered during business hours as follows: (i) to the Bank at 10 Post Office Square, Boston, Massachusetts 02109, Attention of Thatcher L. Freeborn, Senior Vice President; or (ii) to the Institution at 4382 Cascade Road, Lake Placid, New York 12946, Attention of Chief Financial Officer. Notice hereunder may be waived prospectively or retroactively by the person entitled to the notice, but no waiver shall affect any notice requirement as to other persons. A communication provided for in this Agreement will become effective only when the person to whom it is given receives it or is considered to have received it. If it is mailed by express, certified or first-class mail, it will be considered to be received on (i) the third Business Day after being mailed, or (ii) the day of its receipt, whichever is earlier.

16. Sale or Transfer of Bonds/Note. The Bank may participate with other banks or financial institutions and/or may transfer and assign all or a portion of the Bonds or the Note and its rights under this Agreement, the Loan Agreement, the RLOC Loan Agreement and the other Financing Documents. The Bank may enter into participation agreements on terms and conditions acceptable to the Bank, in its sole discretion. In the event that the Bank assigns or transfers all of its rights and obligations under this Agreement and the other Financing Documents, such assignee shall thereupon succeed to and become vested with all rights, powers, privileges and duties of the Bank hereunder, and the Bank, to the extent of such assignment, shall thereupon be discharged and relieved from its future duties and obligations hereunder. No such transfer or assignment shall affect or limit the rights and obligations of the Institution set forth herein or in the other Financing Documents. The Bank may disclose to any actual or prospective transferee or assignee all information in the Bank's possession regarding the Bonds, the Note, the Institution and the Project. The Bank shall provide prior written notice to the Institution if the Bank sells, assigns or transfers all or a portion of the Bonds or the Note to another Person.

17. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of The Commonwealth of Massachusetts.

18. Miscellaneous. The captions of this Agreement are for convenience only and shall not affect the construction hereof. The Financing Documents constitute the entire agreement of the parties with respect to the subject matter thereof and supersede all prior undertakings and agreements. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and may not be terminated or modified orally.

19. Post-Closing Matters. (a) The Institution shall, at all times, comply with the Consent Order (as defined in **Schedule 6** hereto), including without limitation the Schedule of Compliance attached thereto as Schedule A. Failure to complete the improvements to the Institution's waste treatment facilities needed to bring such facilities into compliance with the applicable State Pollutant Discharge Elimination System permit requirements by December 31, 2021 as set forth in the Consent Order shall constitute an Event of Default hereunder.

(b) The Institution shall use all reasonable efforts to obtain, within 60 days after the date hereof, the consent of James P. Cushman, Sharon Cushman, Samuel W. Cushman and Sydney F. Cushman (collectively, the "Cushmans") to the Mortgage, waiver of the Cushmans' right to

exercise their right of first refusal (“ROFR”) in connection with the Mortgage and subordination of the ROFR to the Mortgage. The Institution shall use all reasonable efforts to cause a subordination and waiver of the ROFR in form and substance reasonably satisfactory to the Bank (a “Subordination”), to be executed and delivered to the Bank by the Cushmans no later than 60 days after the date hereof. Failure to deliver a fully executed Subordination in recordable form to the Bank within 120 days after the date hereof shall constitute an Event of Default hereunder. The Subordination shall be recorded in the office of the Essex County Clerk, at the expense of the Institution, following the recording of the Mortgage upon the occurrence of a Mortgage Recordation Event as described in Section 7 hereof.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Institution and the Bank have caused this Agreement to be duly executed and delivered as of the day and year first above written.

NORTH COUNTRY SCHOOL

By: 
David Hochschartner
Executive Director

BOSTON PRIVATE BANK & TRUST COMPANY

By: _____
Thatcher L. Freeborn
Senior Vice President

IN WITNESS WHEREOF, the Institution and the Bank have caused this Agreement to be duly executed and delivered as of the day and year first above written.

NORTH COUNTRY SCHOOL

By: _____
David Hochschartner
Executive Director

BOSTON PRIVATE BANK & TRUST COMPANY

By: Thatcher L. Freeborn
Thatcher L. Freeborn
Senior Vice President

SCHEDULE 1.7

Existing Indebtedness

None.

EXHIBIT 2.1

Annual Compliance Certificate

The undersigned, [the Executive Director/Chief Financial Officer] of North Country School (the "Institution"), hereby certifies to Boston Private Bank & Trust Company (the "Bank"), as follows:

1. Attached hereto as **Exhibit A** are the annual audited financial statements of the Institution for the period ending August 31, 20__ (the "Financial Statements"), which Financial Statements are in the form required by Section 2.1(a) of the Continuing Covenants Agreement, dated as of March 29, 2019, between the Institution and the Bank (the "Agreement").

2. The Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved and are correct and complete and fairly present the financial condition and the results of operations of the Institution at the dates and for the periods indicated.

3. The Institution has good and valid title to all properties and assets reflected in the Financial Statements, subject to no lien, encumbrance or charge of any kind except as disclosed in the Financial Statements, and except for Permitted Liens.

4. The Institution hereby represents and warrants that the Institution is in compliance with the following financial covenants contained in the Agreement, as set forth below:

a. Debt Service Coverage Ratio for the period ending August 31, 20__:

(i)	Change in unrestricted net assets	\$ _____
(ii)	Plus interest expense	\$ _____
(iii)	Plus depreciation and amortization	\$ _____
(iv)	Plus unrealized/realized investment losses	\$ _____
(v)	Less unrealized/realized investment gains	\$ _____
(vi)	Less extraordinary items	\$ _____
(vii)	Plus unrestricted endowment funds designated for operations	\$ _____
(viii)	Operating Cash Flow:	\$ _____
(ix)	Interest expense	\$ _____
(x)	Required principal payments	\$ _____
(xi)	Total Debt Service:	\$ _____

Operating Cash Flow (viii) divided by Total Debt Service (xi): **1.__: 1**
Minimum Requirement: 1.15: 1

b. Liquidity Ratio as of August 31, 20__:

(i)	Liquid Assets	\$ _____
(ii)	Total Debt	\$ _____

Liquid Assets (i) divided by Total Debt (ii) **__: 1**
Minimum Requirement: 0.60: 1

5. Attached hereto is a/are current certificate[s] of insurance, naming the Bank as mortgagee and loss payee, and as an additional insured, and reflecting compliance with the insurance requirements of the Agreement.
6. I have reviewed the Financing Documents and (a) I have no knowledge of any default by the Institution in the performance or observance of any of the provisions of any Financing Document [, except _____], and (b) the representations and warranties of the Institution set forth in the Financing Documents are true and correct as of the date of this certificate[, except _____].

Terms used in this certificate and not otherwise defined herein have the same meanings assigned to them in the Agreement.

NORTH COUNTRY SCHOOL

Date:

By: _____
Name:
Title:

Schedule 6

Disbursement Conditions

1. General Disbursement Conditions: Disbursements from the Construction Fund are to be made monthly (or less frequently if the Institution determines not to submit monthly requisitions) after receipt and review of itemized requisitions submitted to and approved by the Bank. The Bank shall have no obligation to approve a requisition if (a) it determines that, after funding of the requested advance, the Budget (as hereinafter defined) for any Component (as hereinafter defined) will be “out of balance” with respect to the remainder of the costs of such Component of the Project, and the Institution has not deposited in the Construction Fund or otherwise demonstrated to the satisfaction of the Bank that the Institution has available funds in the amount required to complete each Component; (b) it determines that as of the date of such requisition and as a result of the construction of the Project, the Project will be subject to a mortgage, lien, encumbrance or claim that does not constitute a Permitted Lien; or (c) a “default” or Event of Default (as defined in Section 8.1 of the Agreement) shall have occurred and not been cured (in the case of a default) or waived. Notwithstanding the foregoing, or anything to the contrary contained herein, without at any time waiving any of the Bank’s rights hereunder, the Bank shall always have the right to approve a requisition for a disbursement without satisfaction of each and every condition upon the Bank’s obligation to approve such requisition.
2. Construction Site Inspections. Prior to each disbursement from the Construction Fund, the Bank, or the Construction Representative at the Bank’s election, may perform a site inspection to ensure that each Component as constructed is consistent with the budget for such Component submitted to and approved by the Bank (the “Budget”) and the final plans and specifications for such Component submitted to and approved by the Bank (the “Plans”).
3. Cost Breakdown/ Disbursement Schedule: The Institution shall provide to the Bank, at least seven Business Days prior to the initial disbursement from the Construction Fund for each of the performing arts center, waste treatment facility, Hansen House, Hike House, Round Lake Cottage and teaching/learning kitchen components of the Project (each, a “Component”), a report containing the following information: (i) a construction time and disbursement schedule for such Component; (ii) the Budget for such Component; (iii) the Plans for such Component; and (iv) a breakdown of the indirect (non-construction) costs including without limitation real estate taxes, legal and accounting fees, surveys, permit and inspection fees, insurance premiums, and architect’s and engineer’s fees for such Component. The Bank may require payment and performance bonds for the general contractor for each Component, provided that this requirement may be waived, in the Bank’s sole discretion, if all major subcontractors for such Component are bonded.
4. Plans and Specifications; Contracts: Prior to each disbursement from the Construction Fund and as a condition to the approval of any requisition from the Construction Fund to pay the costs of the Component of the Project comprising the construction, renovation and improvement of the performing arts center (the “Performing Arts Component”) or the Component of the Project comprising improvements to the Institution’s waste treatment facilities (the “Waste Treatment Component”), the Institution shall deliver to the Bank:

- (a) a complete set of Plans for such Component (including site and mechanical plans and specifications for all proposed improvements), which shall be subject to the Bank's prior review and approval, and an assignment of such Plans by the Institution to the Bank, in form and substance acceptable to the Bank, together with the written consent of the architect to the assignment of the Plans to the Bank. Prior to delivering such Plans to the Bank, the Institution shall obtain the approvals required at such time, given the current status of the Project, by all local, state, and federal regulatory authorities having jurisdiction over the Project, including, without limitation, all required permits (with any appeal periods having expired with no appeal having been taken) for the construction of the proposed improvements;
 - (b) a copy of the contract between the Institution and the general contractor for such Component, which shall be either a fixed price or guaranteed maximum price contract, and shall include a detailed trade payment schedule in form to be utilized in the requisition process, and an assignment of such contract by the Institution to the Bank in form and substance acceptable to the Bank, together with the written consent of such general contractor to the assignment of the construction contract to the Bank; and
 - (c) a copy of all licenses, permits and governmental approvals related to such Component and an assignment of such licenses, permits and approvals by the Institution to the Bank in form and substance acceptable to the Bank.
5. Commencement/Completion: The Institution has commenced construction of the Performing Arts Component and will use all diligent efforts to complete construction of the Performing Arts Component by September 30, 2019, or such later date as may be approved by the Bank, with labor and materials of high quality in accordance with the applicable Budget and the applicable Plans. The Institution shall commence construction of the Waste Treatment Component not later than August 31, 2020 and use all diligent efforts to complete construction of the Waste Treatment Component by December 31, 2020, or such later date as may be approved by the Bank, with labor and materials in accordance with the applicable Budget and the applicable Plans.
 6. Certificate of Occupancy: As a condition to the approval of the final requisition for each Component, the Institution shall furnish to the Bank a certified copy of a final unconditional certificate of occupancy for such Component (if applicable) issued by the appropriate governmental authority, permitting occupancy and use of the premises for the purposes described in the Loan Agreement.
 7. Lien Waivers: Each requisition shall be accompanied by notarized lien waivers from the applicable general contractor and any subcontractors and materialmen.
 8. Construction Sign: Upon request of the Bank, the Institution shall, at its expense, affix a sign satisfactory to the Bank and the Institution in a highly visible place, indicating that the Bank is providing financing for the construction of the Project.
 9. Making the Advances: The Bank shall not be required to approve requisitions more frequently than once each month. The Bank shall be entitled to withhold from each

requisition for payment of the costs of each Component a retainage amount equal to the greater of 5% or the retainage amount set forth in the applicable construction contract for such Component. The Bank shall approve requisitions of amounts representing retainage only following substantial completion of such Component, subject to any hold-backs for punch-list items, and satisfaction of the conditions set forth in the Financing Documents. Each requisition for construction-related costs of any Component shall be accompanied by all documentation reasonably deemed necessary by the Bank to substantiate the requested payment. Requisitions for direct costs of constructing any Major Component (as hereinafter defined) shall require the submission of requisitions from the general contractor, approved by the Institution, the architect and the Construction Representative, and shall be subject to inspection and approval of work performed by the Construction Representative. Requisitions for any other direct costs and indirect costs shall require the submission of bills, invoices and other documentation satisfactory to the Bank.

10. Construction Representative: The Bank shall, at the Institution's cost and expense, retain an outside Construction Representative to perform the following services on behalf of the Bank, in connection with the Performing Arts Component and the Waste Treatment Component (each, a "Major Component"):
 - (a) to review and advise the Bank whether, in the opinion of the Construction Representative, the Budget for each Major Component accurately reflects all costs of such Major Component;
 - (b) to review and advise the Bank whether, in the opinion of the Construction Representative, the Plans for each Major Component are satisfactory for the intended purpose thereof;
 - (c) to make periodic inspections of each Major Component of the Project for the purpose of assuring that construction to date is in accordance with the applicable Plans, as described in paragraph 2 above;
 - (d) to review, and if appropriate approve requisitions filed by the Institution as being consistent with the applicable Budget and the Institution's obligations under the Financing Documents, as described in paragraph 9 above;
 - (e) to advise the Bank of the status of each Major Component of the Project and the adequacy of available funds to complete construction;
 - (f) to review and advise the Bank on any proposed change orders; and
 - (g) to review and approve construction contracts and subcontracts in the amount of \$25,000 or greater, for the purpose of providing the Bank with an opinion as whether they adequately treat the cost of construction to successfully complete each Major Component of the Project in accordance with the applicable Plans.

Neither the Bank nor the Construction Representative shall assume any obligation to the Institution or any other party to the Financing Documents, or to any other person concerning the quality of construction of the Project or the absence therefrom of any defects.

11. Change Orders: The Institution shall not cause or permit any material deviations from the Plans and shall not approve or consent to any change orders in an amount in excess of \$25,000 for any single change order or \$25,000 in the aggregate, without the prior approval of the Bank. The Institution shall not enter into any contract with a general contractor, architect, engineer or subcontractor for any Component of the Project with a face amount in excess of \$25,000 without the prior approval of the Bank. The Institution shall not materially amend, supplement or otherwise modify, whether by change order or otherwise, any of the terms and conditions of any general contractor's contract, any architect's contract, any engineer's contract or the subcontracts initially approved by the Bank, without the prior approval of the Bank.
12. Builder's Risk Insurance: The Institution shall furnish the Bank certificates of insurance evidencing builder's risk completed value (non-reporting) form insurance for the Performing Arts Component written by a company acceptable to the Bank, containing such coverages as the Bank reasonably requires.
13. Waste Treatment Component: The Institution shall promptly deliver to the Bank copies of any correspondence from or to the New York State Department of Environmental Conservation ("DEC") regarding the Waste Treatment Component, including but not limited to copies of all reports, plans and other documentation requirement to be submitted to DEC pursuant to the Order on Consent, dated May 29, 2018, issued by DEC with respect to the Institution's waste treatment facilities (the "Consent Order"). In addition to the requirements set forth above, prior to the initial disbursement from the Construction Fund for the Waste Treatment Component, the Institution shall provide evidence satisfactory to the Bank that the engineering report and the Plans for the Waste Treatment Component comply with the Consent Order and have been approved by DEC. The Bank will be under no obligation to approve any requisition for the Waste Treatment Component if it determines that the Waste Treatment Component, as completed, will not comply with the Consent Order or the Institution is otherwise not in compliance with the Consent Order.

Transcript Document No. 7

Negative Pledge Agreement



ESSEX COUNTY – STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



Recording:

Cover Page	5.00
Recording Fee	75.00
Affidavit	0.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

INSTRUMENT #: 2019-1107

Receipt#: 2019216661
Clerk: SN
Rec Date: 03/28/2019 03:17:00 PM
Doc Grp: M
Descrip: AGREEMENT
Num Pgs: 15
Rec'd Frm: LIBERTY ABSTRACT

Total: 100.00
**** NOTICE: THIS IS NOT A BILL ****

Party1: NORTH COUNTRY SCHOOL
Party2: ESSEX COUNTY CAPITAL RESOURCE
CORPORATION
Town: NORTH ELBA

I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.

Joseph A. Provoncha
Essex County Clerk

Record and Return To:

GREENBERG TRAUIG LLP
ATTN: BEN MCGUIRE ESQ
ONE INTERNATIONAL PLACE ST 2000
BOSTON MA 02110

****Notice**** Information may change during the
verification process and may not be reflected on this
page

NEGATIVE PLEDGE AGREEMENT

MADE BY AND BETWEEN

NORTH COUNTRY SCHOOL

AND

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

Dated as of: March 29, 2019

**ESSEX COUNTY CAPITAL RESOURCE CORPORATION
NORTH COUNTRY SCHOOL REVENUE BONDS
SERIES 2019A AND SERIES 2019B**

**PREPARED BY AND UPON RECORDATION RETURN TO:
Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.**

NEGATIVE PLEDGE AGREEMENT

This NEGATIVE PLEDGE AGREEMENT, dated as of March 29, 2019 (this “Agreement”), is by and between NORTH COUNTRY SCHOOL, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (“the “Institution”) in favor of ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 (with its successors and assigns, the “Issuer”). Terms used herein and not otherwise defined shall have the same meanings assigned to them on the Covenants Agreement (as hereinafter defined).

The Issuer has issued its North Country School Revenue Bonds, Series 2019A and Series 2019B in the principal amount of not to exceed \$7,100,000 (the “Bonds”), pursuant to a Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Loan Agreement”), by and among the Issuer, the Institution and Boston Private Bank & Trust Company (the “Bank”), the proceeds of which are being loaned to the Institution. Pursuant to the Loan Agreement, Issuer will issue the Bonds and sell the Bonds to the Bank. The Institution and the Bank have executed a Continuing Covenants Agreement, dated as of March 29, 2019 (the “Covenants Agreement”), setting forth certain representations, warranties and agreements of the Institution in connection with the purchase of the Bonds by the Bank. The Institution understands that the Issuer is willing to issue the Bonds and the Bank is willing to purchase the Bonds and otherwise extend credit to the Institution only upon certain conditions, one of which is that the Institution execute and deliver this Agreement and this Agreement is being executed and delivered in consideration of each of the Obligations (as defined below) granted to the Institution by the Issuer and the Bank and for other valuable considerations.

As used herein, “Obligations” shall mean: (a) the Bonds; (b) each extension or refinancing of the Bonds; (c) all interest from time to time accruing on the Bonds, and any commitment or facility and other fees associated therewith; (d) all obligations and liabilities of the Institution now existing or hereafter incurred to the Bank under, arising out of, or in connection with any agreement for a derivative or hedging product including, without limitation, interest rate or equity swaps, futures, options, caps, floors, collars or forwards now or hereafter entered into by the Institution with the Bank, or any of its affiliates; (e) all other amounts payable by the Institution to the Issuer or the Bank pursuant to the Bonds and the Financing Documents; (f) every other liability, now or hereafter owing to the Issuer or the Bank by the Institution, including, without limitation, every liability, whether owing by only the Institution or by the Institution with one or more others in a several, joint or joint and several capacity, whether owing absolutely or contingently, whether created by note, overdraft, guaranty of payment or other contract or by a quasi-contract, tort, statute or other operation of law, whether incurred directly to the Issuer or the Bank or acquired by the Issuer or the Bank by purchase, pledge or otherwise and whether participated to or from the Issuer or the Bank in whole or in part; (g) all costs and expenses, including reasonable attorneys’ fees and costs, incurred by the Issuer or the Bank in connection with the Bonds or in connection with the collection of any portion of the indebtedness described in (a), (b), (c), (d), (e) and (f) hereof; (h) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Agreement;

and (i) the performance of the covenants and agreements of the Institution contained in this Agreement.

INSTITUTION AND ISSUER HEREBY AGREE AS FOLLOWS:

1. The Institution hereby covenants with, and warrants and represents to the Issuer, that: (a) the Institution is the lawful owner of the premises identified on **Exhibit A** attached hereto and hereby made a part hereof (the "Premises"); (b) the Institution has the sole right and lawful authority to deliver this Agreement; (c) the Premises are, and until the Institution satisfies the Obligations and all instruments and documents executed in connection therewith, will be, free and clear of all mortgages, liens, attachments, levies, encumbrances and security interests of every kind, nature and description except as recited in the descriptions of the Premises on **Exhibit A** and as permitted under the Loan Agreement; (d) the Institution will warrant and defend the Premises against the claims and demands of all persons; (e) the Institution will not waste or destroy the same or any part thereof; (f) the Institution will not sell, assign, mortgage, lease or otherwise convey or dispose of the Premises, or any part thereof without the prior written consent of the Issuer, except as permitted by the Covenants Agreement; (g) the Institution has not, and shall not enter into a negative pledge agreement, or similar agreement, affecting the Premises with any other party; (h) the Institution will keep the Premises insured at all times in the amounts and for the risks presently insured; and (i) after the occurrence of any Mortgage Recordation Event, the Bank may record the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, of even date herewith, with respect to the Premises, as more particularly described in the Covenants Agreement, at which time, the Issuer shall discharge this Agreement.
2. Failure of the Institution to comply with the terms of this Agreement shall constitute an Event of Default under the documents evidencing the Obligations.
3. If any provision of this Agreement shall be deemed by any court having jurisdiction thereon to be invalid or unenforceable, the balance of this Agreement shall remain in effect; if any provision of this Agreement shall be deemed by any such court to be unenforceable because such provisions shall be too broad in scope, such provision shall be construed to be limited in scope to the extent such court shall deem necessary to make it enforceable; and if any provision of this Agreement shall be deemed by any such court to be inapplicable to any person or circumstances, it shall, nevertheless, be construed to apply to all other persons and circumstances.
4. Any notice, approval, consent or other communication under this Agreement shall be in writing and shall be deemed sufficiently given when mailed by certified mail, postage prepaid, or sent by overnight mail or by private courier service providing evidence of receipt and delivered during business hours, addressed to the parties respectively at their respective addresses set forth at the beginning of this Agreement. A communication provided for in this Agreement will become effective only when the person to whom it is given receives it or is considered to have received it. A communication shall be considered to have been received: (i) if mailed by certified mail on the third business day after being mailed or if sent by


overnight mail on the next business day after mailing, or (ii) the day of its receipt, whichever is earlier. Either party may change its address by written notice to the other party given at least ten (10) days before the effective date of such change.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.
6. This Agreement and the Financing Documents, and any other document contemplated thereby contain a complete statement of the undertakings between the parties with respect to their subject matter.
7. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the choice of law provisions of the State of New York or any other jurisdiction, and shall have the effect of a sealed instrument.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Institution and the Issuer have executed this Agreement as of the date first above written.

NORTH COUNTRY SCHOOL

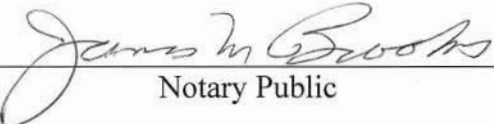
By: 
David Hochschartner
Executive Director

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 29th day of March in the year 2019 before me, the undersigned, personally appeared David Hochschartner, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November 13, 2022

On the ____ day of _____ in the year 2019 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

IN WITNESS WHEREOF, the Institution and the Issuer have executed this Agreement as of the date first above written.

NORTH COUNTRY SCHOOL

By: _____
David Hochschartner
Executive Director

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: David P. Danah
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ____ day of _____ in the year 2019 before me, the undersigned, personally appeared David Hochschartner, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 26 day of March in the year 2019 before me, the undersigned, personally appeared Warren Danah, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Jody C. OLCOTT
Notary Public

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 010L6049649
MY COMM. EXPIRES OCTOBER 23, 2022

EXHIBIT A

Description of Premises

ACTIVE 41482347v2

EXHIBIT A

Description of Premises

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;
THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;
THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;
THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;
THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;
THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;
THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;
THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;
THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

(Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

(Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

(The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

(Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

(Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract to the Northeast corner thereof; thence Westerly along the Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

(Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;
Thence, South 85° 13' 32" East, 264.00 feet along the north line of the parcel to a point marked by a 5/8 inch iron rod, said course passing through a 5/8 inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;
Thence, South 04° 46' 20" West, 165.00 feet along the east line of the parcel to a point marked by a 5/8 inch iron rod;
Thence, North 85° 13' 32" West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a 5/8 inch iron rod line marker at a distance of 163.68 feet;
Thence, North 04° 46' 28" East, 165.00 feet along the west line of the parcel to the Point of Beginning.

(Containing therein 1.00 acre, more or less.)

ACTIVE 41482347v2

Transcript Document No. 8

Assignment of Bond Purchase and Loan Agreement

**ASSIGNMENT OF
BOND PURCHASE AND LOAN AGREEMENT**

KNOW, ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation of the State of New York (the “State”), duly created by Section 1411 of the Not-for-Profit Corporation Law, as amended and supplemented to the date hereof (the “**Assignor**”), having its principal office at 7566 Court Street, Elizabethtown, New York 12932, party of the first part, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to it by **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the “**Assignee**”), hereby assigns unto the Assignee pursuant to this Assignment, all of the Assignor’s right, title and interest, other than its **Reserved Rights** (as defined herein), in and to that certain Bond Purchase and Loan Agreement, dated as of March 1, 2019 by and among the Assignor, the Assignee and North Country School (the “**Institution**”), pursuant to which the Assignor lends the proceeds from the Assignor’s North Country School Revenue Bonds, Series 2019A and Series 2019B (the “**Bonds**”) to the Institution and the Assignee purchases the Bonds.

For purposes of this Assignment, “Reserved Rights” means the moneys and/or any indemnification due and to become due to the Assignor, for its own account or the directors, officers, agents and employees of the Assignor for its own account pursuant to the Bond Purchase and Loan Agreement and the right to enforce the foregoing pursuant to the Bond Purchase and Loan Agreement.

TO HAVE AND TO HOLD the same unto the Assignee, its successors and assigns forever.

This Assignment is made without any representation or warranty whatsoever by the Assignor and upon the express condition, understanding and agreement that this Assignment is made without recourse to the Assignor, for any cause whatsoever, express or implied, by the Assignee, or by any successor to the interest of the Assignee in the Bond Purchase and Loan Agreement.

This Assignment shall be governed by and construed in accordance with the laws of the State.

(Remainder of Page Intentionally Left Blank Signature Page Follows)

the ²⁹ day of March, 2019. IN WITNESS WHEREOF, the Assignor has duly executed this Assignment as of

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: [Signature]

STATE OF NEW YORK)

: ss.:

COUNTY OF ESSEX)

On the 26 day of March, of the year 2019, before me, the undersigned, personally appeared Darren Darrah - known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon the behalf of whom the individual acted, executed the instrument.

[Signature]
Notary Public / Commissioner of Deeds

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 010L6049649
MY COMM. EXPIRES OCTOBER 23, 2022

Transcript Document No. 9

Assignment of Mortgage from the Issuer to the Bondholder

ASSIGNMENT OF MORTGAGE

ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 ("Assignor"), in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to it by **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business located at 10 Post Office Square, Boston, Massachusetts 02109 (the "Bank"), hereby assigns unto the Bank, that certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated on even date herewith (the "Mortgage"), and intended to be recorded immediately prior to the recording hereof, from North County School (the "Mortgagor") to Assignor, as mortgagee, in the principal amount of **\$7,100,000**, together with the right to receive all sums secured by said Mortgage. Capitalized terms used herein without definition have the meanings assigned in the Mortgage.

TO HAVE AND TO HOLD the same unto the Bank, its successors and assigns forever.

This Assignment is made without any representation or warranty whatsoever by Assignor and upon the express condition, understanding and agreement that this Assignment is made without recourse to Assignor, for any cause whatsoever, by the Bank, or by any successor to the interest of the Bank in said Mortgage and obligations.

The Bank is authorized to record this Assignment, together with the Mortgage, at any time on or after the occurrence of any Mortgage Recordation Event (as defined in the Covenants Agreement).

Dated: March 29, 2019

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: [Signature]
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Jamen Jamari, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 01OL6049649
MY COMM. EXPIRES OCTOBER 23, 2022

[Signature]
Notary Public

This Assignment is acknowledged and accepted by the Bank as of as of the day and year first above written.

BOSTON PRIVATE BANK & TRUST COMPANY

By: _____
Authorized Officer

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the ___ day of _____ in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF _____) ss.

On the ____ day of _____ in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

This Assignment is acknowledged and accepted by the Bank as of the day and year first above written.

BOSTON PRIVATE BANK & TRUST COMPANY

By: *Thatcher Freeborn*
Authorized Officer

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Hannah Monique Glover
Notary Public

ACTIVE 41482345v1



Transcript Document No. 10

Assignment of Negative Pledge Agreement



ESSEX COUNTY – STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE
THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



Recording:

Cover Page	5.00
Recording Fee	35.00
Records Management - Stat	4.75
Records Management - Coun	1.00
Cultural Ed	14.25
Cross References	0.00

INSTRUMENT #: 2019-1108

Receipt#: 2019216661
Clerk: SN
Rec Date: 03/28/2019 03:17:00 PM
Doc Grp: AS
Descrip: ASSIGNMT OF MORTGAGE
Num Pgs: 4
Rec'd Frm: LIBERTY ABSTRACT

Total: 60.00
**** NOTICE: THIS IS NOT A BILL ****

Party1: ESSEX COUNTY CAPITAL RESOURCE
CORPORATION
Party2: BOSTON PRIVATE BANK & TRUST
COMPANY
Town: NORTH ELBA

I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.

Joseph A. Provoncha
Essex County Clerk

Record and Return To:

GREENBURG TRAURIG LLP
ATTN: BEN MCGUIRE ESQ
ONE INTERNATIONAL PLACE ST 2000
BOSTON MA 02110

Notice Information may change during the
verification process and may not be reflected on this
page

ASSIGNMENT OF NEGATIVE PLEDGE AGREEMENT

ESSEX COUNTY CAPITAL RESOURCE CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 ("Assignor"), in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to it by **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business located at 10 Post Office Square, Boston, Massachusetts 02109 (the "Bank"), hereby assigns unto the Bank, that certain Negative Pledge Agreement, of even date herewith (the "Negative Pledge Agreement"), by and between North Country School (the "Institution") and Assignor.

TO HAVE AND TO HOLD the same unto the Bank, its successors and assigns forever.

This Assignment is made without any representation or warranty whatsoever by Assignor and upon the express condition, understanding and agreement that this Assignment is made without recourse to Assignor, for any cause whatsoever, by the Bank, or by any successor to the interest of the Bank in said Negative Pledge Agreement and obligations.

Dated: March 29, 2019

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By [Signature]
Authorized Officer

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Barren Baran personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 010L6049649
MY COMM. EXPIRES OCTOBER 23, 2022

[Signature]
Notary Public

This Assignment is acknowledged and accepted by the Bank as of the day and year first above written.

BOSTON PRIVATE BANK & TRUST COMPANY

By: _____
Authorized Officer

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the ___ day of _____ in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

ACTIVE 41482345v1

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of the day and year first above written.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

STATE OF NEW YORK)
COUNTY OF _____) ss.

On the ____ day of _____ in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

This Assignment is acknowledged and accepted by the Bank as of as of the day and year first above written.

BOSTON PRIVATE BANK & TRUST COMPANY

By: *Atchafu Fulson*
Authorized Officer

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.



Hannah Monique Glover
Notary Public

**OMNIBUS CERTIFICATE
OF THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION**

I, the undersigned, an Authorized Officer of the Essex County Capital Resource Corporation (the “Issuer”), **DO HEREBY CERTIFY** as follows:

1. The Issuer is a local development corporation organized and existing pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the “Act”). All the terms used herein and not otherwise defined have the meanings given to them in the Bond Purchase and Loan Agreement.

2. Pursuant to a resolution adopted by the directors of the Issuer on December 6, 2018 (the “Inducement Resolution”), the Issuer made a determination to undertake the Project and to enter into an agreement with the North Country School (the “Institution”), with respect to the Project. Attached hereto as Exhibit A is a certified copy of the Inducement Resolution. The Inducement Resolution was duly adopted by the directors of the Issuer, has not been amended or modified since its adoption and is in full force and effect as of the date of this certificate in accordance with its terms.

3. Attached to the Record of Proceedings and attached hereto as Exhibit B is a true and complete copy of a resolution entitled “Essex County Capital Resource Corporation North Country School Revenue Bond Resolution,” as adopted by the Issuer on February 21, 2019 (the “Bond Resolution”), which has been duly adopted and has not been otherwise amended, supplemented, modified or repealed and is in full force and effect on the date hereof.

4. Attached to the Record of Proceedings are true and complete copies of the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Bond Purchase and Loan Agreement”), by and among the Issuer, Boston Private Bank & Trust Company, as bondholder (the “Bondholder”), and North Country School (the “Institution”), the Assignment of Bond Purchase and Loan Agreement, dated as of March 29, 2019 from the Issuer to the Bondholder (the “Assignment of Bond Purchase and Loan Agreement”), the Assignment of Mortgage, dated as of March 29, 2019 from the Issuer to the Bondholder (the “Assignment of Mortgage”), the Assignment of Negative Pledge Agreement, dated as of March 29, 2019 from the Issuer to the Bondholder (the “Assignment of Negative Pledge Agreement”) and the Hazardous Materials Indemnity Agreement, dated as of March 29, 2019 by and among the Institution, the Bondholder and the Issuer (the “Hazardous Materials Indemnity Agreement”). The Bond Purchase and Loan Agreement, the Assignment of Bond Purchase and Loan Agreement, the Assignment of Mortgage, the Assignment of Negative Pledge Agreement and the Hazardous Materials Indemnity Agreement are herein referred to collectively as the “Issuer Documents.”

5. The Issuer documents have been duly executed and delivered by an Authorized Officer of the Issuer and have not been otherwise amended, supplemented, modified or terminated and, assuming due execution by the Institution and the Bondholder, are in full force and effect on the date hereof.

6. Attached hereto as Exhibit D is proof of publication of the notice of the public hearing and extract of minutes of the public hearing held on December 21, 2018 with respect to the Project required pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

7. Attached hereto as Exhibit C is a true and correct copy of the Certificate of Incorporation and By-Laws of the Issuer, which are in full force and effect during the period from January 1, 2019 to and including the date hereof.

8. The current directors of the Issuer are as follows:

Darren Darrah, Chairman

James Bowen, Vice-Chairman

Jamie Rogers, Secretary

Gerald Morrow, Director

James Monty, Director

John Boyea, Director

Matthew Courtright, Director

The foregoing named individuals constitute all of the directors of the Issuer, each of such individuals was and is duly appointed, qualified and acting as such member; each of such individuals who is indicated as an officer of the Issuer was and is duly elected or appointed, qualified and acting as such officer; and each of such individuals has been a member of the Issuer since at least January 1, 2019.

9. The Chairman, Vice- Chairman and Secretary of the Issuer are Authorized Officers of the Issuer, as such term is defined in the Bond Purchase and Loan Agreement, and the signatures opposite their names and titles set forth on Exhibit E are true specimens of their signatures.

10. Darren Darrah, Chairman of the Issuer, and Jamie Rogers, Secretary of the Issuer, did heretofore cause to be officially executed the Issuer's (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date hereof (collectively, the "Bonds"). Said Chairman of the Issuer has caused the Bonds to be executed by imprinting thereon a facsimile of his signature and said Chairman of the Issuer was on the date his facsimile signature was imprinted on the Bonds and is now, the duly elected, qualified and acting Chairman of the Issuer. Said Secretary has caused the official seal of the Issuer to be imprinted on the Bonds and attested by his facsimile signature, and said Secretary was, on the date his facsimile signature was imprinted on the Bonds, and is now, the duly elected, qualified and acting Secretary of the Issuer.

11. The seal which has been imprinted on the Bonds is the legally adopted proper and only official corporate seal of the Issuer.

12. Attached hereto as Exhibit F is a specimen identical in all respects with the Bonds in fully registered form, this day delivered to, or upon the order of, the Bondholder, except as to number, amount, maturity, interest rate, signatures and name of registered owner or owners. Such specimen of the Bonds is in the form prescribed by the Bond Purchase and Loan Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of March, 2019.

**ESSEX COUNTY CAPITAL RESOURCE
CORPORATION**

By: 
Authorized Officer

Signature page to Omnibus Certificate of the Essex County Capital Resource Corporation

Exhibit A

Inducement Resolution

Please See Attached.

INDUCEMENT RESOLUTION

A regular meeting of the Essex County Capital Resource Corporation, Essex County, New York, was convened in public session on December 6, 2018, at 12:00 p.m. at the Witherbee Carriage House, 581 Route 9, Schroon Lake, New York.

The meeting was called to order by the Vice-Chairman, with the following members being:

PRESENT: James Bowen John Boyea Jim Monty

Jamie Rogers Matthew Courtright

ABSENT: Darren Darrah Gerald Morrow

ALSO PRESENT: Jody Olcott Carol Calabrese Sarah LaFountain

Upon motion duly made and seconded, the following resolution was unanimously adopted by the members of the Essex County Capital Resource Corporation:

RESOLUTION TAKING OFFICIAL ACTION TOWARD THE ISSUANCE BY THE CORPORATION OF UP TO NINE MILLION UNITED STATES DOLLARS (\$US)9,000,000) TAX EXEMPT REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF BUILDINGS AND BUILDING IMPROVEMENTS AND EQUIPMENT, INCLUDING FIXTURES, FOR, AND TO REFINANCE OUTSTANDING INDEBTEDNESS OF, NORTH COUNTRY SCHOOL, A NEW YORK NOT-FOR-PROFIT 501(c)(3) CORPORATION, ITS SUCCESSORS AND ASSIGNS

WHEREAS, North Country School, a not-for-profit 501(c)(3) corporation, and its successors and assigns (the "School"), located in the Town of North Elba, County of Essex, State of New York (the "State"), has applied to the Essex County Capital Resource Corporation (the "Corporation") for financial assistance and to issue tax-exempt revenue bonds in an aggregate principal amount not to exceed \$(US)9,000,000 (the "Bonds") for the purpose of financing a project consisting of, among other things (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, and renovation of Hike House (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), (iii) the refinancing of outstanding indebtedness of the School, and (iv) certain costs of issuance (hereinafter collectively referred to as the "Project"), and

WHEREAS, the School is, or shall be prior to the providing of financial assistance, if any, by the Corporation, a not-for-profit 501(c)(3) corporation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), duly organized in the State and authorized to do business in the State, and

WHEREAS pursuant to the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State of New York (collectively, the "Act"), the Corporation is authorized and empowered to finance the acquisition, construction, reconstruction, equipping and installation of the Facilities and Equipment within Essex County, New York, and to refinance the outstanding indebtedness of the School, through the issuance of its tax-exempt revenue bonds, and

WHEREAS, the members of the Corporation have approved the Application for Financial Assistance dated November 20, 2018 (the "Application") of the School and have agreed to issue the Bonds for the purpose of financing the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project for the School.

NOW, THEREFORE, BE IT RESOLVED by the Essex County Capital Resource Corporation as follows:

Section 1. The Corporation has found and determined that the Project of the School constitutes a "project" within the meaning of the Act and shall accomplish the public purposes of the Corporation as provided in the Act; and shall promote the job opportunities, health, education, general prosperity and the economic welfare of the inhabitants of Essex County and the State and improve their standard of living and will thereby serve the public purposes of the Act; and that it is desirable and in the public interest to issue up to NINE MILLION UNITED STATES DOLLARS (\$(US)9,000,000) principal amount of Bonds for the purpose of financing the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project, including necessary incidental expenses in connection therewith.

Section 2. The Corporation will (i) issue the Bonds in the principal amount of not more than NINE MILLION UNITED STATES DOLLARS (\$(US)9,000,000), the particular maturity, interest rate, redemption term and other terms and provisions to be determined by further resolutions and certificated determinations of the Corporation, (ii) acquire, construct, reconstruct, equip, install and refinance the Project, or cause the Project to be acquired, constructed, reconstructed, equipped, installed or refinanced, (iii) loan the proceeds of the Bonds to the School pursuant to a loan agreement by and between the Corporation and the School (the "Agreement"), whereby the School will be obligated, among other things, to make payments to the Corporation in amounts and at times so that such payments will be adequate to pay when due the principal and premium, if any, of and interest on, the Bonds and (iv) secure the payment of the Bonds in such manner as the Corporation, the purchaser of the Bonds and the School mutually deem appropriate. The School shall hold harmless and indemnify the Corporation in the authorization and issuance of the Bonds and the performance of the Agreement and contracts related to the Project and the Bonds to which the Corporation is a party. If the proceeds from the sale of the Bonds are insufficient to finance the entire cost of acquisition, construction, reconstruction, equipping, installation and refinancing of the Project, the School shall complete and pay for the Project. Further, to the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*.

- Section 3. The School is hereby appointed the true and lawful agent of the Corporation (i) to acquire, construct, reconstruct, equip, install and refinance the Project, and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Corporation and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity as the Corporation could do if acting on its own behalf. In addition, the School is hereby authorized to advance such funds as may be necessary to accomplish the purposes of the Project and, to the extent permitted by law, the Corporation agrees to reimburse the School therefor out of the proceeds of the Bonds.
- Section 4. Squire Patton Boggs (US) LLP is hereby appointed Bond Counsel in relation to the issuance of the Bonds.
- Section 5. Briggs Norfolk LLP is hereby appointed as general counsel to the Corporation in relation to the issuance of the Bonds.
- Section 6. Bond Counsel is hereby authorized to work with the School, the underwriter of the Bonds, the purchaser of the Bonds and others to prepare, for submission to the Corporation, all documents necessary to effect the authorization, issuance and sale of the Bonds.
- Section 7. The Chairman of the Corporation is hereby authorized and directed to distribute copies of this Resolution to the School and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.
- Section 8. This Resolution is hereby adopted subject to the requirements of the State Environmental Quality Review Act, as amended, Article 8 of the Environmental Conservation Law of the State, and all regulations thereunder, and applicable regulations, if any, of the Adirondack Park Agency.
- Section 9. The Corporation shall prepare and publish a notice of public hearing in compliance with Section 147(f) of the Code and shall hold such public hearing prior to the issuance of the Bonds. The Corporation must have approved the issuance of the Bonds after such public hearing on the issuance of the Bonds and the nature and location of the Project has been held by the Corporation at a regularly scheduled meeting of the Corporation.
- Section 10. To the extent the School has not heretofore adopted a Declaration of Official Intent described herein, the Corporation intends this Resolution to be a Declaration of Official Intent of the Corporation with respect to the Bonds under U.S. Treasury Regulations Section 1.150-2 (successor to Section 1.103-18) for purposes of Sections 103 and 141 to 150, inclusive, of the Code. The Corporation is the "actual issuer" of the Bonds within the meaning of Section 1.150-2 of the U.S. Treasury Regulations. A general functional description of the property, project or program for which the School reasonably expects to reimburse all or a portion of the capital expenditures paid within 60 days prior to the date hereof or to be paid on or after the date hereof (the "Expenditures") is: the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project. The

maximum principal amount of debt expected to be issued for the purposes of reimbursement of the Expenditures is \$(US)9,000,000. The Corporation reasonably expects the School to reimburse the Expenditures with proceeds of debt consisting of the Bonds to be issued by the Corporation. This Declaration of Official Intent shall be reasonably available for inspection by the general public, commencing no later than 30 days after the date hereof, until the date of issue of the last Bonds issued to finance the Expenditures, during normal business hours on business days at the office of the Corporation, County Government Center, Elizabethtown, New York 12932.

Section 11. This Resolution incorporates by reference the information, statements, exhibits, terms and covenants contained in the Application of the School on file with the Corporation which is deemed to be a part of this Resolution.

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

James Bowen	Voting <u> YES </u>
Jamie Rogers	Voting <u> YES </u>
John Boyea	Voting <u> YES </u>
Jim Monty	Voting <u> YES </u>
Matthew Courtright	Voting <u> YES </u>

The Resolution was thereupon declared duly adopted.

Exhibit B

Bond Resolution

Please See Attached.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

Resolution

Authorizing the Issuance of

Up to \$7,100,000

**North Country School Revenue Bonds,
Series 2019A and Series 2019B**

Adopted February 21, 2019

RESOLUTION
AUTHORIZING THE ISSUANCE OF UP TO
\$7,100,000
NORTH COUNTRY SCHOOL
REVENUE BONDS

WHEREAS, the Essex County Capital Resource Corporation (the “Issuer”) is adopting this Resolution authorizing the issuance of a series of bonds pursuant to the terms hereof and the terms of a Bond Purchase and Loan Agreement (the “Bond Purchase and Loan Agreement”) by and among the Issuer, North Country School (the “Institution”) and Boston Private Bank & Trust Company (the “Bondholder”);

WHEREAS, the Bondholder has agreed to purchase from the Issuer its North Country School Revenue Bonds, Series 2019A and Series 2019B (the “Bonds”), in the aggregate principal amount of up to Seven Million One Hundred Thousand Dollars (\$7,100,000), the proceeds of which Bonds are being loaned by the Issuer to the Institution in accordance with the terms of the Bond Purchase and Loan Agreement in order to finance or refinance a portion of the costs of (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the “Facilities”), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the “Equipment”), and (iii) the refinancing of outstanding indebtedness of the Institution, all of the Facilities of which are to be located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, New York 12946 (collectively, the “Project”), and the costs of issuance of the Bonds and certain related costs and expenses of the Project. Such Bonds shall evidence the Issuer’s special obligation to repay such aggregate principal amount, and the Issuer has agreed to issue, execute and deliver the Bonds, in accordance with the terms of this Resolution and the Bond Purchase and Loan Agreement;

WHEREAS, the Bonds issued hereunder are special obligations of the Issuer payable from and secured solely by, the payments to be made by the Institution pursuant to the Bond Purchase and Loan Agreement;

WHEREAS, this Resolution, together with the Bond Purchase and Loan Agreement and other documents referenced herein, provide for the following transactions:

- (a) the Issuer’s issuance of the Bonds and sale of such Bonds to the Bondholder;
- (b) the Issuer’s loan of the proceeds of the Bonds to the Institution for the purpose of financing and refinancing the Project;

(c) the Institution's repayment of the loan of Bond proceeds from the Issuer through payment to the Bondholder of all amounts necessary to pay the Bonds;

(d) the Issuer's assignment to the Bondholder of the Issuer's rights under the Bond Purchase and Loan Agreement (with the exception of certain reserved rights), including the Revenues to be received and the rights to receive the same and to enforce the Issuer's rights under said Bond Purchase and Loan Agreement against the Institution (including, without limitation, the negative pledge);

(e) the Institution's repayment of the loan of Bond Proceeds from the Issuer through payment to the Bondholder of all amounts necessary to pay the Bonds;

BE IT RESOLVED by the Essex County Capital Resource Corporation, as follows:

1. The Issuer hereby determines to: (i) issue and sell the Bonds to the Bondholder pursuant to and in accordance with the Bond Purchase and Loan Agreement, (ii) use the proceeds of the Bonds to finance and refinance the Project; (iii) secure the Bonds by vesting certain powers and duties in the Bondholder pursuant to the Bond Purchase and Loan Agreement, and by assigning to the Bondholder certain of the Issuer's rights and remedies thereunder, including the right to collect and receive amounts payable thereunder and to enforce the Issuer's rights under said Bond Purchase and Loan Agreement against the Institution (including, without limitation, the negative pledge).

2. The Issuer is hereby authorized to issue and execute, sell and deliver the Bonds to the Bondholder in the aggregate principal amount not to exceed \$7,100,000 pursuant to the Act and in accordance with the Bond Purchase and Loan Agreement, provided that:

(a) The Bonds shall (i) be issued, executed and delivered at such time as an Authorized Officer shall determine, and (ii) bear interest at the rates, be subject to redemption or tender prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are set forth in the Bonds and the Bond Purchase and Loan Agreement, which terms are specifically incorporated herein with the same force and effect as if fully set forth herein.

(b) The Bonds shall be issued solely for the purpose of providing funds to finance the Project, and to finance certain administrative, legal, financial and other expenses of the Issuer incurred in connection with the undertaking of the Project and incidental to the issuance of the Bonds.

- (c) The Bonds and the interest thereon are not and shall never be a debt of the State of New York, the County of Essex or any other political subdivision and none of the State of New York, the County of Essex or any other political subdivision shall be liable thereon.
- (d) The Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the Revenues as provided by the Bond Purchase and Loan Agreement.
- (e) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Bonds or of any other funds that, if such use had been reasonably expected on the date of issue of the Bonds, would cause the Bonds to be “arbitrage bonds” within the meaning of §148 of the Code.

3. Any Authorized Officer is hereby authorized on behalf of the Issuer to execute and deliver the Bonds, the Bond Purchase and Loan Agreement, the Assignment of the Bond Purchase and Loan Agreement, the Mortgage, the Assignment of Mortgage, the Tax Compliance Agreement and such other documents determined to be necessary to effectuate the loan authorized by this Resolution (hereinafter collectively called the “Financing Documents”), and where appropriate, the Secretary or any Assistant Secretary of the Issuer is hereby authorized to affix the seal of the Issuer to the Bonds. Such Financing Documents shall be in the form delivered at the closing of the Bonds as an Authorized Officer shall approve provided that the provisions thereof are consistent with the provisions of this Resolution. The execution thereof by the Authorized Officer or any member of the board of the Issuer shall constitute conclusive evidence of such approval.

ARTICLE I.

DEFINITIONS AND STATUTORY AUTHORITY

SECTION 1.01 Definitions(a) All terms which are defined in Section 1.01 of the Bond Purchase and Loan Agreement shall have the same meanings, respectively, in this Resolution as such terms are given in said Section 1.01 of the Bond Purchase and Loan Agreement.

SECTION 1.02 Authority for the Resolution This Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II.

AUTHORIZATION, TERMS AND ISSUANCE

SECTION 2.01 Authorization, Principal Amount and Series Designation
There is hereby authorized to be issued a series of Bonds entitled to the benefit, protection and security of the Bond Purchase and Loan Agreement in an aggregate principal amount not to

exceed \$7,100,000, consisting of the Series 2019A Bonds in the principal amount of Five Million Three Hundred Thousand dollars (\$5,300,000) and the Series 2019B Bonds in the principal amount of One Million Eight Hundred Thousand dollars (\$1,800,000). Such series of Bonds shall be designated as “North Country School Revenue Bonds, Series 2019A and Series 2019B.”

SECTION 2.02 PurposesThe purposes for which the Bonds are being issued are (i) to finance or refinance the Costs of the Project, and (ii) to pay Costs of Issuance incidental to the issuance and sale of the Bonds.

SECTION 2.03 Delegation of AuthorityThere is hereby delegated to any Authorized Officer of the Issuer, subject to the limitations contained herein and in the Bond Purchase and Loan Agreement, the power with respect to the Bonds to determine and carry out the following:

(a) Subject to the limitation set forth in Section 2.01 hereof, the principal amount of Bonds to be issued in one or more series or subseries;

(b) The Bond Year and the date or dates, maturity date or dates and principal amount of each maturity of the Bonds, the amount and date of each principal installment; *provided, however*, that no Bond shall mature later than 30 years following the date of issuance and delivery;

(c) The interest rate or rates of the Bonds applicable for each interest rate period, the method for the determination thereof, including any conversion options, the date from which interest on the Bonds shall accrue and the first interest payment date therefor; *provided, however*, that the initial true interest cost at the time of issuance (as determined by an Authorized Officer of the Issuer, which determination shall be conclusive) on the Bonds shall not exceed seven and a half percent (7.5%) per annum;

(d) The denomination or denominations of and the manner of numbering and lettering the Bonds; provided however that the Bonds shall be in denominations of \$100,000 or greater;

(e) The redemption terms, if any, for the Bonds; *provided, however*, that the Redemption Price of any Bond subject to redemption at the election of the Issuer or in accordance with the Resolution shall not be greater than one hundred percent (100%) of the principal amount of the Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption and any breakage fees, premiums or other fees required to be paid by the Institution to the Bondholder under the Bond Purchase and Loan Agreement;

(f) Provisions for the initial sale of the Bonds through a Private Placement with the Bondholder and for the delivery thereof;

(g) The form of the Bonds, which are hereby authorized to be issued in fully registered form, and the form of the certificate of authentication thereon;

- (h) Directions for the application of the proceeds of the Bonds;
- (i) The security for the Bonds; and
- (j) Any other provisions deemed advisable by an Authorized Officer of the Issuer, not in conflict with the provisions hereof.

Such Authorized Officer shall execute the Bond Purchase and Loan Agreement evidencing determinations or other actions taken pursuant to the authority granted herein, and the execution and delivery of such Bond Purchase and Loan Agreement shall be conclusive evidence of the action or determination of such Authorized Officer as to the matters stated therein.

ARTICLE III.

EXECUTION AND AUTHENTICATION

SECTION 3.01 Execution and AuthenticationThe Chair or other Authorized Officer of the Issuer is hereby authorized and directed to execute by manual or facsimile signature the Bonds in the name of the Issuer and the corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. The Secretary, an Assistant Secretary or other Authorized Officer of the Issuer is hereby authorized and directed to attest by manual or facsimile signature the execution of the Bonds.

SECTION 3.02 No RecourseNo recourse shall be had for the payment of the principal, Sinking Fund Installments or Redemption Price of or interest on the Bonds or for any claim based thereon, on the Resolution or on the Bond Purchase and Loan Agreement against any member, officer or employee of the Issuer or any person executing the Bonds and neither the members of the Issuer nor any other person executing the Bonds of the Issuer shall be subject to any personal liability or accountability by reason of the issuance thereof, all such liability being expressly waived and released by every Holder of an Bond by the acceptance thereof.

ARTICLE IV.

APPLICATION OF PROCEEDS

SECTION 4.01 Application of Proceeds and Deposit of MoneyOn the date of delivery of the Bonds, the Bondholder shall deposit the proceeds of the Bonds in accordance with the written instructions of an Authorized Officer of the Issuer.

ARTICLE V.

SPECIAL COVENANTS

SECTION 5.01 Tax Exemption; RebatesIn order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Bonds, the Issuer shall comply with the provisions of the Code applicable to the Bonds, including without limitation the provisions of the Code relating to the computation of the yield on investments of the “gross proceeds” of the Bonds, as such term is defined in the Code, reporting of the earnings

on such gross proceeds and rebates of earnings on such gross proceeds to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Issuer shall comply with the provisions of the Tax Certificate executed by the Issuer in connection with the Bonds.

The Issuer shall not take any action or fail to take any action which would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code; nor shall any part of the proceeds of the Bonds or any other funds of the Issuer be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

The Issuer shall make, or cause to be made, any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the Arbitrage Rebate Fund and available therefor.

SECTION 5.02 Survival of CovenantThe obligation of the Issuer to comply with the provisions of Section 5.01 hereof with respect to the rebate to the Department of the Treasury of the United States of America relating to the Bonds shall remain in full force and effect so long as the Issuer shall be required by the Code to rebate such earnings on the gross proceeds of the Bonds, notwithstanding that the Bonds are no longer Outstanding.

ARTICLE VI.

APPROVAL OF FORM AND AUTHORIZATION OF DOCUMENTS

SECTION 6.01 Bond Purchase and Loan AgreementThe form of the Bond Purchase and Loan Agreement as submitted to this meeting is approved. Any Authorized Officer of the Issuer is hereby authorized and directed to execute and deliver the Bond Purchase and Loan Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

SECTION 6.02 Execution and Delivery of DocumentsAny Authorized Officer of the Issuer is hereby authorized and directed to execute and deliver any and all documents and instruments, necessary or desirable in connection with the sale and issuance of the Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

ARTICLE VII.

MISCELLANEOUS

SECTION 7.01 When EffectiveThis Resolution shall become effective immediately upon its adoption.

STATE OF NEW YORK)
)ss.:
COUNTY OF ESSEX)

I, **Jamie Rogers**, Secretary of the Essex County Capital Resource Corporation (the “Corporation”), DO HEREBY CERTIFY as follows:

1. A regular meeting of the Corporation was duly held on February 21, 2019 and minutes of such meeting have been duly recorded in the book kept by me in accordance with law for the purpose of recording the minutes of meetings of the Corporation.

2. At such meeting more than a quorum of the members of the Corporation were present after all had been duly notified of the meeting and the purposes of the meeting in the manner and within the time prescribed by the By-Laws of the Corporation.

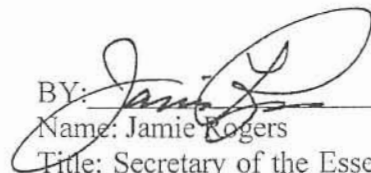
3. I have compared the attached extract with such minutes so recorded and such extract is a true and correct copy of such minutes and of the whole thereof insofar as such minutes relate to matters referred to in such extract.

4. Notice of such meeting was given as prescribed by law and such meeting was open to all persons who were entitled by law to attend such meeting.

5. The resolution referred to in such extract was introduced in typewritten form.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Essex County Capital Resource Corporation this 21st day of February, 2019

(SEAL)

BY: 
Name: Jamie Rogers
Title: Secretary of the Essex County Capital Resource Corporation, New York

Certificate of Incorporation and Bylaws of the Issuer

Please See Attached.

FILING RECEIPT

=====
ENTITY NAME: ESSEX COUNTY CAPITAL RESOURCE CORPORATION

DOCUMENT TYPE: INCORPORATION (NOT-FOR-PROFIT) TYPE: C COUNTY: ESSE

=====
FILED:06/17/2010 DURATION:PERPETUAL CASH#:100617000547 FILM #:100617000487

FILER: _____ EXIST DATE

BRIGGS NORFOLK LLP 06/17/2010
ATTN: JENIFER R. BRIGGS
2296 SARANAC AVENUE
LAKE PLACID, NY 12946

ADDRESS FOR PROCESS:

ESSEX COUNTY INDUSTRIAL DEVELOPMENT AGENCY
ATTN: CAROL CALABRESE, CO-EXEC DIRECTOR 7566 COURT STREET
ELIZABETHTOWN, NY 12932

REGISTERED AGENT:

=====
SERVICE COMPANY: ** NO SERVICE COMPANY ** SERVICE CODE: 00

FEEs	75.00	PAYMENTS	75.00
	-----		-----
FILING	75.00	CASH	0.00
TAX	0.00	CHECK	75.00
CERT	0.00	CHARGE	0.00
COPIES	0.00	DRAWDOWN	0.00
HANDLING	0.00	OPAL	0.00
		REFUND	0.00

CERTIFICATE OF INCORPORATION
OF

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

A Not-For-Profit Local Development Corporation
Under Section 402 and 1411 of the Not-For-Profit
Corporation Law of the State of New York

THE UNDERSIGNED, being over the age of eighteen years, for the purpose of forming a not-for-profit local development corporation pursuant to Section 1411 of the Not-For-Profit-Corporation Law of the State of New York (the "NFPCL"), hereby certifies as follows:

FIRST: The name of the corporation shall be Essex County Capital Resource Corporation (hereinafter referred to as the "Corporation").

SECOND: The Corporation will be a corporation as defined in subparagraph (a)(5) of Section 102 of the NFPCL and, as provided in Section 1411 of the NFPCL, will be a Type C Corporation as defined in Section 201 of the NFPCL. The Corporation shall be a public instrumentality of, but separate and apart from, Essex County (the "County").

THIRD: The purpose for which the Corporation is to be formed and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is to lessen the burdens of government by fulfilling the purposes now or hereafter referred to in Section 1411(a) of the NFPCL including, without limitation, by means of engaging in the following activities:

(a) promoting community and economic development and the creation of jobs in the non-profit and for profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects;

(b) issuing and selling one or more series or classes of bonds, notes and other obligations (the "Obligations") through public letting, private placement, or negotiated underwriting to finance activities referred to in subparagraph (a) above, on a secured or unsecured basis;

(c) engaging the services of one or more underwriters, placement agents, consultants, attorneys, financial advisors and other persons whose services may be appropriate or desirable in connection with the acquisition and financing referred to above;

(d) undertaking projects within the County that are appropriate functions for a non-profit local development corporation for the purpose of relieving and reducing unemployment, promoting and providing for additional and maximum employment,

bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of or retention of an industry in the County, and lessening the burdens of government and acting in the public interest; and

(e) in general, performing any and all acts and things, and exercise and any and all powers which may now or hereafter be lawful for the Corporation to do or exercise under and pursuant to the laws of the State of New York for the purpose of accomplishing any of the foregoing purposes of the Corporation.

FOURTH: The activities referred to in subparagraph (a) of paragraph THIRD above will achieve the lawful public purposes of lessening the burdens of government, the carrying out of such purposes and the exercise of the powers conferred on the Corporation being the performance of an essential governmental function, it being understood that the performance of such activities will assist the County in reducing unemployment and promoting additional job growth and economic development.

FIFTH: The operations of the Corporation will be conducted within the County. Notwithstanding any other provision of this Certificate of Incorporation, the by laws and any provision of law, so long as any Obligations remain outstanding, the Corporation shall not do any of the following:

(a) engage in any business or activity other than as set forth in paragraph THIRD;

(b) without the consent of the County and the affirmative vote of two thirds of the members of The Board of Directors of the Corporation, (i) dissolve or liquidate, in whole or in part, or institute proceedings to be adjudicated bankrupt or insolvent, (ii) consent to the institution of bankruptcy or insolvency proceedings against it, (iii) file a petition seeking or consent to reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or a substantial part of its property, (v) make a general assignment for the benefit of creditors, (vi) admit in writing its inability to pay its debts generally as they become due or (vii) take any corporate action in furtherance of the actions set forth in clauses (i) through (vi) of this paragraph; or

(c) without the consent of the County and the affirmative vote of two thirds of the members of the Board of Directors of the Corporation, merge or consolidate with any other corporation, company or entity or, except to the extent contemplated by paragraph THIRD hereof, sell all or substantially all of its assets or acquire all or substantially all of the assets or capital stock or other ownership interest of any other corporation, company or entity.

When voting on whether the Corporation will take any action described in paragraph (b) above, each Director shall owe his or her primary fiduciary duty or other obligation to the Corporation (including, without limitation, the Corporation's creditors) and not to the

members of the Corporation (except as may specifically be required by the Not-For-Profit Corporation Law). Every Director of the Corporation shall be deemed to have consented to the foregoing by virtue of such Director's appointment as a Director of the Corporation.

SIXTH: Pursuant to the requirements of Section 1411(e) of the NFPCL.

(a) All income and earnings of the Corporation shall be used exclusively for its corporate purposes or accrue and, subject to the Corporation's responsibilities under the Obligations, be paid to the New York Job Development Authority.

(b) The property of the Corporation is irrevocably dedicated to charitable purposes. No part of the income or earnings of the Corporation shall inure to the benefit or profit of, nor shall any distribution of its property or assets be made to, any member, director or officer of the Corporation, or private person, corporate or individual, or to any other private interest, except that the Corporation may repay loans made to it and may repay contributions (other than dues) made to it to the extent that any such contribution may not be allowable as a deduction in computing taxable income under the Internal Revenue Code of 1986, as amended.

(c) If the Corporation accepts a mortgage loan or loans from the New York Job Development Authority, the Corporation shall dissolve in accordance with the provisions of paragraph (g) of Section 1411 of the NFPCL upon the repayment or other discharge in full by the Corporation or all such loans.

SEVENTH:

(a) The Corporation shall not attempt to influence legislation by propaganda or otherwise, or participate in or intervene, directly or indirectly, any political campaign on behalf of or in opposition to any candidate for public office.

(b) The Corporation shall not engage in any activities not permitted to be carried on by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(c) The Corporation shall not accept a mortgage loan or loans from the New York Job Development Authority.

EIGHTH: In the event of the dissolution of the Corporation or the winding up of its affairs, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all of the remaining assets and property of the Corporation to the County. Any of such assets not so disposed of shall be disposed of by order of the Supreme Court of the State of New York pursuant to Section 1008 of the NFPCL.

NINTH: The office of the Corporation shall be located in Essex County, New York.

The Corporation at all times shall:

(a) upon request by the Essex County Board of Supervisors (the "Board of Supervisors"), the Corporation shall make available any and all books and records of the Corporation for inspection by the Board of Supervisors and his or her staff; and

(b) submit to the Board of Supervisors an annual financial report together with a report of the operations and accomplishments of the Corporation for such annual period. The Board of Supervisors, the New York State Authority Budget Office and the New York State Comptroller shall have the right to conduct an annual audit of the books and records of the Corporation.

TENTH: The sole member of the Corporation shall be the County.

ELEVENTH: The Corporation shall be managed by a Board of Directors, who shall be comprised of those persons named in paragraph TWELFTH hereof (the "Directors"). Each of the Directors shall serve at the pleasure of the governing body of the County and continue to hold office until his successor is appointed and has qualified in accordance with the Corporation's By-laws.

The Corporation is a public body (as such term is defined in the Open Meetings Law) and, as such, each meeting of the Board of Directors of the Corporation shall be conducted in the manner prescribed by the Open Meetings Law.

TWELFTH: The Corporation shall consist of not less than three nor more than seven Directors. The Directors will be appointed by the governing body of the County and shall include (a) the Chairman of Essex County Industrial Development Agency, (b) the Vice-Chairman of Essex County Industrial Development Agency, (c) the Treasurer of Essex County Industrial Development Agency, (d) the Secretary of Essex County Industrial Development Agency, and (e) any additional members of the Essex County Industrial Development Agency.

(a) The names and addresses of the Initial Directors are as follows:

Darren Darrah
882 Middle Road,
Willsboro, New York 12996

James Bowen
P.O. Box 101
Severance, New York 12872

Charles Bryant
P.O. Box 196
Port Henry, New York 12974

Jamie Rogers
53 Essex Street
Lake Placid, New York 12946

Jorja Sanders
Sander's Realty & Property Management LLC
8 Ford Road
Ticonderoga, New York 12883

Bruce Bourgeois
840 Mace Chasm Road
Keeseville, New York 12944

It is acknowledged that the Directors hold comparable positions with Essex County Industrial Development Agency, a New York State public benefit corporation established by Chapter 366 of the 1976 Laws of the State of New York, as amended. By reason of the shared public purposes of the Corporation and the Essex County Industrial Development Agency, none of the Directors of the Corporation shall be deemed to have a conflict of interest solely due to such person's position with the Essex County Industrial Development Agency.

The powers of the corporation set forth in paragraph THIRD hereof shall be subject to the following limitations:

(A) The Corporation shall not undertake a project, issue Obligations or otherwise provide any type of financial assistance to any entity without the Essex County Industrial Development Agency first requesting that the Corporation undertake a project or provide financial assistance to any entity.

(B) The Corporation shall hold a public hearing on any financial assistance in excess of \$100,000 proposed to be provided by the Corporation to a project at which interested parties shall be provided with reasonable opportunity, both orally and in writing, to present their views with respect to the project. The Corporation shall give the same notice of such hearing as the Essex County Industrial Development Agency would be required to give pursuant to the provisions of Section 859-a and b of the General Municipal Law of the State of New York as if such hearing was a public hearing of the Essex County Industrial Development Agency with respect to a project.

THIRTEENTH: The Corporation will be subject to the Public Authorities Accountability Act of 2005 (the "Act"). As such, the Corporation will be required to, among other things: (1) undergo an annual independent audit and submit the results of such audit to the County and the New York State Authority Budget Office, (2) prepare and submit its annual budget to the County and the New York State Authority Budget Office, (3) adopt the various ethical, reporting, property disposition and disclosure policies required by the Act,

and (4) form governance and audit committees to ensure the Corporation is in compliance with the Act and any other applicable laws.

FOURTEENTH: The Secretary of State of the State of New York is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him or her is to Essex County Industrial Development Agency, 7566 Court Street, Elizabethtown, New York 12932, Attn: Carol Calabrese, Co-Executive Director.

FIFTEENTH: The By-laws of the Corporation may be adopted, amended or repealed by a majority of the Directors of the Corporation upon 30 days notice to all of the Directors, provided, however, that the Corporation shall not amend, alter, change or repeal any provision of those sections of the By-laws pertaining to (i) the selection, removal and replacement of its Member and (ii) the selection, removal and replacement of Directors and the composition of the Board of Directors without the consent of the County.

SIXTEENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in any manner now or hereafter provided herein or by statute; provided, however, that (1) so long as any Obligations remain outstanding, the Corporation shall not amend, alter, change or repeal any provision of Paragraphs THIRD, FIFTH, NINTH, FIFTEENTH and SIXTEENTH of this Certificate of Incorporation (the "Restricted Articles") without the affirmative vote of two-thirds of the members of the Board of Directors of the Corporation and the consent of the County, (2) the Corporation shall not amend or change any provision of any Article other than the Restricted Articles so as to be inconsistent with the Restricted Articles and (3) so long as the Corporation continues to exist, the provisions of paragraph THIRD, TENTH, ELEVENTH or TWELFTH of this Certificate of Incorporation shall not be amended, altered, changed or repealed without the unanimous vote of the Directors; provided further, that all the Directors shall have received 30 days advance notice of any proposed amendment, alteration, change or repeal.

IN WITNESS WHEREOF, this certificate has been subscribed by the undersigned this 18 day of May, 2010.

Carol Calabrese
Carol Calabrese
7566 Court Street, P.O. Box 217
Elizabethtown, New York 12932

CERTIFICATE OF INCORPORATION
OF

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

A Not-For-Profit Local Development Corporation
Under Section 402 and 1411 of the Not-For-Profit
Corporation Law of the State of New York

Filed by: Briggs Norfolk LLP
Attn: Jenifer R. Briggs
2296 Saranac Avenue
Lake Placid, New York 12946
518.523.5555

**BY-LAWS
OF
ESSEX COUNTY CAPITAL RESOURCE CORPORATION**

**ARTICLE I
THE CORPORATION**

Section 1. Name. The name of the Corporation is "Essex County Capital Resource Corporation."

Section 2. Seal of Corporation. The seal of the Corporation will be in the form of a circle and will bear the name of the Corporation and the year of its organization.

Section 3. Office of Corporation. The office of the Corporation will be in Essex County, New York.

Section 4. Execution of Instruments. Except as otherwise provided in these by-laws, instruments and documents of the Corporation may be signed or countersigned, executed, verified or acknowledged by such officer or officers or other person or persons as the Corporation may designate by resolution.

**ARTICLE II
MEMBERS, DIRECTORS, OFFICERS AND COMMITTEES**

Section 1. Sole Member. Essex County, New York (the "County") is the sole member of the Corporation.

Section 2. Board of Directors. The Corporation will consist of not less than three nor more than seven Directors. The Directors will be appointed by and serve at the pleasure of the governing body of the County and will include (i) the Chairman of Essex County Industrial Development Agency, (ii) the Vice-Chairman of Essex County Industrial Development Agency, (iii) the Treasurer of Essex County Industrial Development Agency, (iv) Secretary of the Essex County Industrial Development Agency, (v) any additional members of Essex County Industrial Development Agency so appointed by the County.

It is acknowledged that the members of the Essex County Industrial Development Agency are appointed by and serve at the pleasure of the Essex County Board of Supervisors.

Section 3. Term of Service. Directors are not subject to term limits. Each Director is appointed by and serves at the pleasure of the Essex County Board of

Supervisors. Accordingly, a Director may be removed without cause at any time for any reason.

Section 4. Filling of Vacancies. Should any Director position become vacant, the Corporation will take steps to recommend to the Essex County Board of Supervisors one or more nominees to fill the vacancy. The decision to appoint a particular individual as a Director rests solely with the Essex County Board of Supervisors.

Section 5. Responsibilities of Directors; Training Requirement.

(A) The Directors of the Corporation constitute the governing body of the Corporation (the "Board"), and will have and will responsibly exercise all of the powers prescribed by Section 1411 of the New York State Not-for-Profit Corporation Law and other applicable law (including but not limited to the Public Authorities Law).

(B) The Board will appoint a Chief Executive Officer and a Chief Financial Officer of the Corporation, neither of whom will be a Director of the Corporation.

(C) Every annual financial report of the Corporation must be approved by the Board and provided to the County.

(D) The Directors of the Corporation will: (i) execute direct oversight of the Chief Executive Officer of the Corporation and other senior management of the Corporation in the effective and ethical management of the Corporation; and (ii) understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the Corporation.

(E) The Board will not, directly or indirectly, including through a subsidiary, extend or maintain credit or arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any officer, Director or employee (or equivalent thereof) of the Corporation.

(F) Directors of the Corporation will file annual financial disclosure statements with the Essex County Board of Supervisors.

Section 6. Officers of the Board.

(A) The officers of the Board will be a Chairman, a Vice Chairman, a Secretary, and a Treasurer.

(B) The officers of the Board will perform the duties and functions specified in these by-laws and such other duties and functions as may from time to time be authorized by resolution of the Board of the Corporation or required to effect the statutory purposes of the Corporation.

(C) Should any office of the Board become vacant, the Corporation will appoint a successor from among its Directors at the next regular meeting, and such appointment will be for the unexpired term of said office.

Section 7. Chairman. The Chairman will be a Director of the Corporation and preside at all meetings of the Corporation. The Chairman will sign all agreements, contracts, deeds and any other instruments on behalf of the Corporation, except as otherwise authorized or directed by resolution of the Corporation. The Chairman will submit his recommendations and such information as he has deemed pertinent concerning the business, affairs and policies of the Corporation, at each meeting.

Section 8. Vice Chairman. The Vice Chairman will be a Director of the Corporation and perform the duties of the Chairman in the absence or incapacity of the Chairman. In the event of the resignation or death of the Chairman, the Vice Chairman will become acting Chairman and perform the duties of the Chairman until such time as the Corporation appoints a new Chairman.

Section 9. Secretary. The Secretary will be a Director of the Corporation. The Secretary shall witness the recording of all the notes and minutes of the Agency in a journal to be kept for that purpose; assist in serving of notices of all meetings when required; oversee the safe custody the seal of the Agency and have power to affix such seal to all papers or other documents as may be required; attend to such correspondence as may assigned; perform all other duties as the Agency may designate.

Section 10. Treasurer. The Treasurer will be a Director of the Corporation. The Treasurer shall: oversee the care and custody of all funds and securities of the Agency; oversee deposit of all funds and monies of the Agency forthwith shall designate; oversee the treasury and the receipts, deposits and disbursements of all Agency monies; witness full, accurate and separate accounts of the various funds and monies of the Agency; at a reasonable time exhibit the books and accounts to any member of the Agency upon request at the office of the Agency during business hours; assist staff/CPA with rendering a full financial report at the annual meeting of the Agency, and at any regular meeting if so requested; have such other powers and duties as are conferred by the Agency or by any special or general law.

Section 11. Additional Duties. The officers of the Corporation will perform such other duties and functions as may from time to time be required by the Corporation, by its by-laws, or by its rules and regulations.

Section 12. Appointment of Officers. All officers of the Corporation except the first Chairman will be appointed at the annual meeting of the Corporation. Officers will hold office for one year or until their successors are appointed. If the term of a Corporation Director should terminate, his term of office as an officer will also terminate.

ARTICLE III MEETINGS

Section 1. Annual Meeting. The annual meeting of the Corporation will be held in the month of April, at the time and place determined by the Corporation.

Section 2. Regular Meetings. Regular meetings of the Corporation may be held at such times and places as from time to time may be determined by the Corporation.

Section 3. Special Meetings. The Chairman of the Corporation may, when he deems it desirable, and will upon the written request of two Directors of the Corporation, call a special meeting of the Corporation for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each Director of the Corporation or may be mailed to the business or home address of each Director of the Corporation at least two days prior to the date of such special meeting. Waivers of notice may be signed by any Director failing to receive a proper notice. At such special meeting, no business will be considered other than as designated in the call, but if all Directors of the Corporation are present at a special meeting, with or without notice thereof, and are all agreeable thereto, any and all business may be transacted at such special meeting.

Section 4. Executive Sessions. When determined by the Corporation that any matter pending before it is confidential in nature, it may, upon its own motion, establish an executive session in accordance with the New York State Open Meetings Law and exclude non-Directors from such sessions.

Section 5. Quorum. At all meetings of the Corporation, a majority of the Corporation will constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time or until a quorum is obtained.

Section 6. Order of Business. At the regular meetings of the Corporation, the following will be the order of business:

1. Roll Call.
2. Reading and approval of the minutes of the previous meeting.
3. Report of the Treasurer.
4. Bills and communications.
5. Reports of Committees.
6. Resolutions and motions.
7. Unfinished business.
8. New business.
9. Adjournment.

Section 7. Manner of Voting. The voting on all questions coming before the Corporation concerning financial commitments, expenditures, personnel matters, appointments, litigation, legal indebtedness, contracts, and agreements will be by roll call, all other questions may be by voice vote, and yeas and nays will be entered on the minutes of such meeting, except in the case of appointments when the vote may also be by ballot. Any action of the Corporation will be binding upon determination by a majority vote of the Directors of the Corporation.

Section 8. Action by Conference Telephone. Any one or more members of the Corporation may participate in a meeting of the Corporation by means of a conference telephone or similar equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting.

ARTICLE IV EXECUTIVE OFFICERS AND EMPLOYEES

Section 1. Chief Executive Officer.

(A) The Chief Executive Officer will be appointed by the Board, and will be the chief executive officer of the Corporation.

(B) The Chief Executive Officer will have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Board. Whenever possible, the Chief Executive Officer will attend each meeting of the Board, and will submit such recommendations and information to the Board as the Chief Executive Officer may consider proper concerning the business, affairs and policies of the Corporation.

(C) The Chief Executive Officer will be charged with the management of all projects of the Corporation.

(D) The Chief Executive Officer will also serve as the Contracting Officer (as such term is defined in the Public Authorities Law) of the Corporation, and, as such, be responsible for (i) the disposition of property of the Corporation, and (ii) the Corporation's compliance with the Corporation's property use and disposition guidelines.

(E) Every annual financial report of the Corporation must be certified in writing by the Chief Executive Officer that based on the Chief Executive Officer's knowledge (i) the information provided therein is accurate, correct and does not contain any untrue statement of material fact; (ii) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (iii) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Section 2. Chief Financial Officer.

(A) The Chief Financial Officer will have the care and custody of all funds of the Corporation and will deposit the same in the name of the Corporation in such bank or banks as the Board may select or, if the Board has not so selected a bank or banks, which the Chief Financial Officer selects.

(B) The Chief Financial Officer will keep regular books of accounts showing receipts and expenditures, and will render to the Audit Committee at each regular meeting thereof an account of such transactions and also of the financial condition of the Corporation.

(C) The Chief Financial Officer will give such bond for the faithful performance of his duties as the Corporation may determine.

(D) Every annual financial report of the Corporation must be certified in writing by the Chief Financial Officer that based on the Chief Financial Officer's knowledge (i) the information provided therein is accurate, correct and does not contain any untrue statement of material fact; (ii) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (iii) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Section 3. Additional Personnel. The Corporation may, from time to time employ such personnel as it deems necessary to exercise its power, duties and functions as prescribed by the New York State Not-for-Profit Corporation Law and all other laws of the State of New York applicable thereto. The selection

and compensation of all personnel including the Chief Executive Officer will be determined by the Corporation subject to the laws of the State of New York. The Corporation may from time to time employ such personnel as it deems necessary to exercise its statutory powers, duties and functions. The selection and compensation of all personnel will be determined by the Corporation.

Section 4. Financial Disclosure. Officers and employees of the Corporation will file annual financial disclosure statements with the Essex County Board of Supervisors.

ARTICLE V INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right of Indemnification. Each Director and officer of the Corporation, whether or not then in office, and any person whose testator or intestate was such a Director or officer, will be indemnified by the Corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or investigative, in accordance with and to the fullest extent permitted by the Section 18 of the Public Officers Law of the State of New York or other applicable law, as such law now exists or may hereafter be adopted or amended; provided, however, that the Corporation will provide indemnification in connection with an action or proceeding (or part thereof) initiated by such a Director or officer only if such action or proceeding (or part thereof) was authorized by the Board.

ARTICLE VI POLICIES & PROCEDURES

Section 1. Projects. It is the policy of this Corporation that the Corporation will only undertake projects that are not authorized by Article 18A of the New York State General Municipal Law (the "New York State industrial Development Agency Act") unless the Corporation receives a written request from Essex County Industrial Development Agency asking the Corporation to consider undertaking such project.

Section 2. Miscellaneous.

(A) The Corporation will not approve any project to be located on a site or within an area which does not conform to or has not been granted a variance from the zoning laws of the State, county, town or village.

(B) The Corporation will not approve any project which would be in violation of New York State Environmental Quality Review Act.

(C) The Corporation will not approve any project which would be or is in violation of the health, labor or other laws of the State of New York or the United States or of the local laws of Essex County and any city, village or township in Essex County.

Section 3. Audit of Records and Accounts.

(A) The Corporation will annually secure a certified audit of its financial records and accounts and will file a copy of such certified audit with the Essex County Board of Supervisors within ninety days after the close of the Corporation's fiscal year.

(B) The Corporation may require any other operating statements that it determines is required for daily operation.

Section 4. Conveyance of Property. The Corporation may insert in a contract for a project that upon the payment in full of all notes, bonds and indebtedness incurred in connection with a project that the Corporation will convey the lands, buildings and equipment involved in said project and so paid for to the tenant or operator of the same upon terms set forth in such contract and that the additional consideration for such conveyance may be nominal.

Section 5. Additional Policies. The Corporation by resolution may adopt such rules, regulations, policies and procedures as it may deem necessary and appropriate to the operation so long as the same is not contrary to these by-laws as they may be amended from time to time.

**ARTICLE VII
AMENDMENTS**

Section 1. Amendments to By-laws. The by-laws of the Corporation may be amended with the consent of the Chairman of the Essex County Board of Supervisors and the approval of a majority of all the Directors of the Corporation at a regular meeting or at a special meeting called for that purpose; but no such amendment will be adopted unless at least thirty days written notice thereof has been previously given to all Directors of the Corporation and to the Chairman of the Essex County Board of Supervisors.

Adopted by CRC Board of Directors July 20, 2010
Re-Adopted by CRC Board of Directors March 17, 2011
Re-Adopted by CRC Board of Directors March 28, 2012
Amended by CRC Board of Directors March 26, 2013 – duties of Secretary, Treasurer
Re-Adopted by CRC Board of Directors March 26, 2014
Re-Adopted by CRC Board of Directors March 25, 2015
Re-Adopted by CRC Board of Directors March 23, 2016
Re-Adopted by CRC Board of Directors March 23, 2017

Re-Adopted by CRC Board of Directors March 21, 2018

Exhibit D

Notice/Proof of Publication and Extract of Minutes of the Meeting Held on December 21, 2018

Please See Attached.

**NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF BONDS AND FINANCIAL ASSISTANCE**

NOTICE IS HEREBY GIVEN to all interested parties that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by the Essex County Capital Resource Corporation (the "Corporation") on December 21, 2018 at 9:00 a.m., local time, at the offices of the Corporation located at 7566 Court Street, Elizabethtown, New York, in connection with the following matters:

This is a notice for a public hearing to authorize up to \$9,000,000 of tax-exempt revenue bonds of the Corporation, the interest on which will be excluded from gross income for federal income tax purposes for the project described below.

North Country School and Camp Treetops, a New York not-for-profit 501(c)(3) corporation, and its successors and assigns (the "School"), located in the Town of North Elba, County of Essex, State of New York, has applied to the Essex County Capital Resource Corporation (the "Corporation") to issue tax-exempt revenue bonds in one or more series as part of a plan of finance in an aggregate principal amount not to exceed \$9,000,000 (the "Bonds"). The Corporation plans to issue the Bonds for the purpose of financing a project consisting of (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), (iii) the refinancing of outstanding indebtedness of the School, (iv) certain costs of issuance (hereinafter collectively referred to as the "Project"), all of the Facilities of which are to be located at 4382 Cascade Road, Lake Placid, New York 12946 and (v) lending the proceeds of the Bonds pursuant to a loan agreement by and between the School and the Corporation (the "Agreement") to the School to finance the Project (the "Financial Assistance"). The Facilities and the Equipment will be owned by the School. It is intended that interest on the Bonds in the aggregate principal amount of not more than \$9,000,000 will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 145 of the Code. To the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*.

The Project will be subject to the Agreement requiring that the School make payments equal to the debt service on the Bonds and make certain other payments. Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations"), the Corporation has determined that the Project does not have a "significant effect on the environment" (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of a draft environmental information statement. Such determination shall be and shall be deemed to be in conformity with similar determinations issued by the Adirondack Park Agency.

At said public hearing the Corporation will discuss and determine (i) the applicability of the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State of New York (collectively, the "Act") relating to the Project's eligibility for financial assistance, (ii) the Corporation's requirement of cooperation, indemnify and hold harmless from the School in the Corporation's colorable and good faith compliance with the Act, and (iii) the issuance of the Bonds to finance the Project.

The Bonds will be special obligations of the Corporation payable solely from revenue derived from the School or the Facilities under the Agreement. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE TOWN OF NORTH ELBA OR THE COUNTY OF ESSEX, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE TOWN OF NORTH ELBA OR THE COUNTY OF ESSEX, SHALL BE LIABLE THEREON.

The Corporation will at the above-stated time and place hear all persons with views in favor of or opposed to the proposed Financial Assistance to be provided to the School and the issuance of the Bonds.

A report of the hearing will be made available to the Board of Supervisors of Essex County, New York. Approval of the issuance of the Bonds by Essex County, through the County Board of Supervisors, is necessary in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. This notice will be published in a newspaper in general circulation in the County of Essex at least fifteen (15) days prior to the date set for the hearing.

Dated: December 6, 2018

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

Darren Darrah, Chairman

PRESS REPUBLICAN
473 THIRD STREET
NIAGARA FALLS NY 14301
(518) 561-2300

ORDER CONFIRMATION (CONTINUED)

Salesperson: Legal Ads

Printed at 12/05/18 12:36 by bupto

Acct #: 5051

Ad #: 1360804

Status: N

921205
12/05/18
12:36
BUPTO
PRINTED AT 12/05/18 12:36
BY BUPTO
AD # 1360804
ACCT # 5051
SALES PERSON
LEGAL ADS

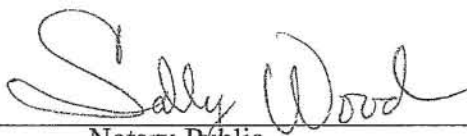
State of New York
Clinton County, ss.:

ESSEX CO INDUSTRIAL DEV
7566 COURT ST
P O BOX 217
ELIZABETHTOWN NY 12932

Legal Advertising

Brenda Upton of the City of Plattsburgh, in said county, being duly sworn, doth depose and say that (s)he is the clerk of The Plattsburgh Publishing Co., publishers and printers of the newspaper entitled The Press Republican, printed and published daily and Sunday in the City of Plattsburgh, in said county, and that the advertisements covered on the attached copy have appeared in said newspaper on the dates indicated.





Notary Public

Sally Wood
Notary Public State of New York
Clinton County
Lic. #01WO6243667
Comm. Exp. June 20, 2019

PUBLICATION	EXPIRE DATE	AD CAPTION	# TIMES	AMOUNT
PRESS REPUBLICAN	12/09/2018	NOTICE OF PUBLIC HEARING	1	123.14

START DATE: 12/09/2018 END DATE: 12/09/2018



ESSEX COUNTY IN THE PARK
INDUSTRIAL DEVELOPMENT AGENCY

7566 Court Street • P.O. Box 217 • Elizabethtown, NY 12932
(518) 873-9114 • Fax (518) 873-2011 • E-mail: info@essexcountyida.com
Web Site: www.essexcountyida.com

A public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) was held by the Essex County Capital Resource Corporation (the “Corporation”) on December 21, 2018 at 9:00 a.m., local time, at the offices of the Corporation located at 7566 Court Street, Elizabethtown, New York, in connection with the following matters: to authorize up to \$(US)9,000,000 of tax-exempt revenue bonds of the Corporation, the interest on which will be excluded from gross income for federal income tax purposes for the project described below. North Country School, a New York not-for-profit 501(c)(3) corporation, and its successors and assigns (the “School”), located in the Town of North Elba, County of Essex, State of New York, has applied to the Essex County Capital Resource Corporation (the “Corporation”) to issue tax-exempt revenue bonds in one or more series as part of a plan of finance in an aggregate principal amount not to exceed \$(US)9,000,000 (the “Bonds”). The Corporation plans to issue the Bonds for the purpose of financing a project consisting of, among other things (i) the construction of an approximately 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, and renovation of Hike House (the “Facilities”), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the “Equipment”), (iii) the refinancing of outstanding indebtedness of the School, (iv) certain costs of issuance (hereinafter collectively referred to as the “Project”), all of the Facilities of which are to be located at 4382 Cascade Road, Lake Placid, New York 12946 and (v) lending the proceeds of the Bonds pursuant to a loan agreement by and between the School and the Corporation (the “Agreement”) to the School to finance the Project (the “Financial Assistance”). The Facilities and the Equipment will be owned by the School. It is intended that interest on the Bonds in the aggregate principal amount of not more than \$(US)9,000,000 will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 145 of the Code. To the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*. The Project will be subject to the Agreement requiring that the School make payments equal to the debt service on the Bonds and make certain other payments. Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations”), the Corporation has determined that the Project does not have a “significant effect on the environment” (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of a draft environmental information statement. Such determination shall be and shall be deemed to be in conformity with similar determinations issued by the Adirondack Park Agency. At said public hearing the Corporation will discuss and determine (i) the applicability of the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State of New York (collectively, the “Act”) relating to the Project’s eligibility for financial assistance, (ii) the Corporation’s requirement of

cooperation, indemnify and hold harmless from the School in the Corporation's colorable and good faith compliance with the Act, and (iii) the issuance of the Bonds to finance the Project. The Bonds will be special obligations of the Corporation payable solely from revenue derived from the School or the Facilities under the Agreement. The bonds shall not be a debt of the State of New York or any political subdivision thereof, including, without limitation, the town of North Elba or the County of Essex, and neither the State of New York nor any political subdivision thereof, including, without limitation, the Town of North Elba or the County of Essex, shall be liable thereon.

Present: Darren Darrah
 John Boyea (conference call)
 Jamie Rogers
 James Bowen (conference call)
 Gerald Morrow (conference call)
 James Monty (conference call)

Also Present: Fritz Sabbow, North Country School
 Jody Olcott
 Carol Calabrese

The public hearing was opened at 9:01AM by Chairman Darrah. There were no public in attendance and no written comments received. Public hearing was closed at 9:16AM.

Exhibit E

Specimen Signatures of Authorized Officers of the Issuer

Please See Attached.

Specimen Signatures of Authorized Officers of the Issuer

TITLE

Chairman

SIGNATURE

A handwritten signature in black ink, appearing to read "Darrin R. Darrin", written over a horizontal line.

Secretary

A handwritten signature in black ink, appearing to read "James J. James", written over a horizontal line.

Exhibit F

Specimen Bonds

Please See Attached.

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019A

REGISTERED NUMBER		PRINCIPAL AMOUNT
R-A1		\$_[_____]
INTEREST RATE	DATED DATE	MATURITY DATE
[_____]%	March 29, 2019	March 29, 2034

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: [_____]

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the "Bondholder" or "Owner"), or registered assigns, the Principal Amount stated above as set forth herein through the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a "Debt Service Payment Date"), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the "Institution") and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a "Record Date"), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable, in level monthly payments of principal and interest in installments commencing on May 1, 2020 and each Debt Service Payment Date thereafter based on a 30-year amortization period, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019A” (hereinafter called the “Bond”), and issued by the Issuer in the aggregate principal amount of \$5,800,000, under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next

succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for

the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman]and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By _____
Chairman

(SEAL)

Attest

Secretary
Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>		<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>
1	3/29/2019	5/1/2019	33.00	\$5,800,000.00	\$21,692.00	\$21,692.00	\$0.00	\$5,800,000.00
2	5/1/2019	6/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
3	6/1/2019	7/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
4	7/1/2019	8/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
5	8/1/2019	9/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
6	9/1/2019	10/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
7	10/1/2019	11/1/2019	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
8	11/1/2019	12/1/2019	30.00	\$5,800,000.00	\$19,720.00	\$19,720.00	\$0.00	\$5,800,000.00
9	12/1/2019	1/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
10	1/1/2020	2/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
11	2/1/2020	3/1/2020	29.00	\$5,800,000.00	\$19,062.67	\$19,062.67	\$0.00	\$5,800,000.00
12	3/1/2020	4/1/2020	31.00	\$5,800,000.00	\$20,377.33	\$20,377.33	\$0.00	\$5,800,000.00
13	4/1/2020	5/1/2020	30.00	\$5,800,000.00	\$27,958.26	\$19,720.00	\$8,238.26	\$5,791,761.74
14	5/1/2020	6/1/2020	31.00	\$5,791,761.74	\$27,958.26	\$20,348.39	\$7,609.87	\$5,784,151.88
15	6/1/2020	7/1/2020	30.00	\$5,784,151.88	\$27,958.26	\$19,666.12	\$8,292.14	\$5,775,859.74
16	7/1/2020	8/1/2020	31.00	\$5,775,859.74	\$27,958.26	\$20,292.52	\$7,665.74	\$5,768,194.01
17	8/1/2020	9/1/2020	31.00	\$5,768,194.01	\$27,958.26	\$20,265.59	\$7,692.67	\$5,760,501.34
18	9/1/2020	10/1/2020	30.00	\$5,760,501.34	\$27,958.26	\$19,585.70	\$8,372.56	\$5,752,128.79
19	10/1/2020	11/1/2020	31.00	\$5,752,128.79	\$27,958.26	\$20,209.15	\$7,749.11	\$5,744,379.68
20	11/1/2020	12/1/2020	30.00	\$5,744,379.68	\$27,958.26	\$19,530.89	\$8,427.37	\$5,735,952.32
21	12/1/2020	1/1/2021	31.00	\$5,735,952.32	\$27,958.26	\$20,152.31	\$7,805.95	\$5,728,146.37
22	1/1/2021	2/1/2021	31.00	\$5,728,146.37	\$27,958.26	\$20,124.89	\$7,833.37	\$5,720,313.00
23	2/1/2021	3/1/2021	28.00	\$5,720,313.00	\$27,958.26	\$18,152.46	\$9,805.80	\$5,710,507.21
24	3/1/2021	4/1/2021	31.00	\$5,710,507.21	\$27,958.26	\$20,062.92	\$7,895.34	\$5,702,611.87
25	4/1/2021	5/1/2021	30.00	\$5,702,611.87	\$27,958.26	\$19,388.88	\$8,569.38	\$5,694,042.50
26	5/1/2021	6/1/2021	31.00	\$5,694,042.50	\$27,958.26	\$20,005.07	\$7,953.19	\$5,686,089.31
27	6/1/2021	7/1/2021	30.00	\$5,686,089.31	\$27,958.26	\$19,332.70	\$8,625.56	\$5,677,463.76
28	7/1/2021	8/1/2021	31.00	\$5,677,463.76	\$27,958.26	\$19,946.82	\$8,011.44	\$5,669,452.32
29	8/1/2021	9/1/2021	31.00	\$5,669,452.32	\$27,958.26	\$19,918.68	\$8,039.58	\$5,661,412.74
30	9/1/2021	10/1/2021	30.00	\$5,661,412.74	\$27,958.26	\$19,248.80	\$8,709.46	\$5,652,703.29
31	10/1/2021	11/1/2021	31.00	\$5,652,703.29	\$27,958.26	\$19,859.83	\$8,098.43	\$5,644,604.86
32	11/1/2021	12/1/2021	30.00	\$5,644,604.86	\$27,958.26	\$19,191.66	\$8,766.60	\$5,635,838.27
33	12/1/2021	1/1/2022	31.00	\$5,635,838.27	\$27,958.26	\$19,800.58	\$8,157.68	\$5,627,680.59
34	1/1/2022	2/1/2022	31.00	\$5,627,680.59	\$27,958.26	\$19,771.92	\$8,186.34	\$5,619,494.26
35	2/1/2022	3/1/2022	28.00	\$5,619,494.26	\$27,958.26	\$17,832.53	\$10,125.73	\$5,609,368.53
36	3/1/2022	4/1/2022	31.00	\$5,609,368.53	\$27,958.26	\$19,707.58	\$8,250.68	\$5,601,117.86

37	4/1/2022	5/1/2022	30.00	\$5,601,117.86	\$27,958.26	\$19,043.80	\$8,914.46	\$5,592,203.40
38	5/1/2022	6/1/2022	31.00	\$5,592,203.40	\$27,958.26	\$19,647.27	\$8,310.99	\$5,583,892.41
39	6/1/2022	7/1/2022	30.00	\$5,583,892.41	\$27,958.26	\$18,985.23	\$8,973.03	\$5,574,919.39
40	7/1/2022	8/1/2022	31.00	\$5,574,919.39	\$27,958.26	\$19,586.55	\$8,371.71	\$5,566,547.68
41	8/1/2022	9/1/2022	31.00	\$5,566,547.68	\$27,958.26	\$19,557.14	\$8,401.12	\$5,558,146.57
42	9/1/2022	10/1/2022	30.00	\$5,558,146.57	\$27,958.26	\$18,897.70	\$9,060.56	\$5,549,086.01
43	10/1/2022	11/1/2022	31.00	\$5,549,086.01	\$27,958.26	\$19,495.79	\$8,462.47	\$5,540,623.55
44	11/1/2022	12/1/2022	30.00	\$5,540,623.55	\$27,958.26	\$18,838.12	\$9,120.14	\$5,531,503.41
45	12/1/2022	1/1/2023	31.00	\$5,531,503.41	\$27,958.26	\$19,434.02	\$8,524.24	\$5,522,979.18
46	1/1/2023	2/1/2023	31.00	\$5,522,979.18	\$27,958.26	\$19,404.07	\$8,554.19	\$5,514,424.99
47	2/1/2023	3/1/2023	28.00	\$5,514,424.99	\$27,958.26	\$17,499.11	\$10,459.15	\$5,503,965.84
48	3/1/2023	4/1/2023	31.00	\$5,503,965.84	\$27,958.26	\$19,337.27	\$8,620.99	\$5,495,344.86
49	4/1/2023	5/1/2023	30.00	\$5,495,344.86	\$27,958.26	\$18,684.17	\$9,274.09	\$5,486,070.77
50	5/1/2023	6/1/2023	31.00	\$5,486,070.77	\$27,958.26	\$19,274.40	\$8,683.86	\$5,477,386.92
51	6/1/2023	7/1/2023	30.00	\$5,477,386.92	\$27,958.26	\$18,623.12	\$9,335.14	\$5,468,051.78
52	7/1/2023	8/1/2023	31.00	\$5,468,051.78	\$27,958.26	\$19,211.09	\$8,747.17	\$5,459,304.62
53	8/1/2023	9/1/2023	31.00	\$5,459,304.62	\$27,958.26	\$19,180.36	\$8,777.90	\$5,450,526.72
54	9/1/2023	10/1/2023	30.00	\$5,450,526.72	\$27,958.26	\$18,531.79	\$9,426.47	\$5,441,100.26
55	10/1/2023	11/1/2023	31.00	\$5,441,100.26	\$27,958.26	\$19,116.40	\$8,841.86	\$5,432,258.40
56	11/1/2023	12/1/2023	30.00	\$5,432,258.40	\$27,958.26	\$18,469.68	\$9,488.58	\$5,422,769.82
57	12/1/2023	1/1/2024	31.00	\$5,422,769.82	\$27,958.26	\$19,052.00	\$8,906.26	\$5,413,863.57
58	1/1/2024	2/1/2024	31.00	\$5,413,863.57	\$27,958.26	\$19,020.71	\$8,937.55	\$5,404,926.02
59	2/1/2024	3/1/2024	29.00	\$5,404,926.02	\$27,958.26	\$17,764.19	\$10,194.07	\$5,394,731.96
60	3/1/2024	4/1/2024	31.00	\$5,394,731.96	\$27,958.26	\$18,953.49	\$9,004.77	\$5,385,727.19
61	4/1/2024	5/1/2024	30.00	\$5,385,727.19	\$27,958.26	\$18,311.47	\$9,646.79	\$5,376,080.41
62	5/1/2024	6/1/2024	31.00	\$5,376,080.41	\$27,958.26	\$18,887.96	\$9,070.30	\$5,367,010.11
63	6/1/2024	7/1/2024	30.00	\$5,367,010.11	\$27,958.26	\$18,247.83	\$9,710.43	\$5,357,299.68
64	7/1/2024	8/1/2024	31.00	\$5,357,299.68	\$27,958.26	\$18,821.98	\$9,136.28	\$5,348,163.41
65	8/1/2024	9/1/2024	31.00	\$5,348,163.41	\$27,958.26	\$18,789.88	\$9,168.38	\$5,338,995.03
66	9/1/2024	10/1/2024	30.00	\$5,338,995.03	\$27,958.26	\$18,152.58	\$9,805.68	\$5,329,189.36
67	10/1/2024	11/1/2024	31.00	\$5,329,189.36	\$27,958.26	\$18,723.22	\$9,235.04	\$5,319,954.32
68	11/1/2024	12/1/2024	30.00	\$5,319,954.32	\$27,958.26	\$18,087.84	\$9,870.42	\$5,310,083.91
69	12/1/2024	1/1/2025	31.00	\$5,310,083.91	\$27,958.26	\$18,656.09	\$9,302.17	\$5,300,781.74
70	1/1/2025	2/1/2025	31.00	\$5,300,781.74	\$27,958.26	\$18,623.41	\$9,334.85	\$5,291,446.90
71	2/1/2025	3/1/2025	28.00	\$5,291,446.90	\$27,958.26	\$16,791.52	\$11,166.74	\$5,280,280.16
72	3/1/2025	4/1/2025	31.00	\$5,280,280.16	\$27,958.26	\$18,551.38	\$9,406.88	\$5,270,873.28
73	4/1/2025	5/1/2025	30.00	\$5,270,873.28	\$27,958.26	\$17,920.97	\$10,037.29	\$5,260,836.00
74	5/1/2025	6/1/2025	31.00	\$5,260,836.00	\$27,958.26	\$18,483.07	\$9,475.19	\$5,251,360.81
75	6/1/2025	7/1/2025	30.00	\$5,251,360.81	\$27,958.26	\$17,854.63	\$10,103.63	\$5,241,257.19
76	7/1/2025	8/1/2025	31.00	\$5,241,257.19	\$27,958.26	\$18,414.28	\$9,543.98	\$5,231,713.21
77	8/1/2025	9/1/2025	31.00	\$5,231,713.21	\$27,958.26	\$18,380.75	\$9,577.51	\$5,222,135.71
78	9/1/2025	10/1/2025	30.00	\$5,222,135.71	\$27,958.26	\$17,755.26	\$10,203.00	\$5,211,932.71
79	10/1/2025	11/1/2025	31.00	\$5,211,932.71	\$27,958.26	\$18,311.26	\$9,647.00	\$5,202,285.72
80	11/1/2025	12/1/2025	30.00	\$5,202,285.72	\$27,958.26	\$17,687.77	\$10,270.49	\$5,192,015.23

81	12/1/2025	1/1/2026	31.00	\$5,192,015.23	\$27,958.26	\$18,241.28	\$9,716.98	\$5,182,298.25
82	1/1/2026	2/1/2026	31.00	\$5,182,298.25	\$27,958.26	\$18,207.14	\$9,751.12	\$5,172,547.14
83	2/1/2026	3/1/2026	28.00	\$5,172,547.14	\$27,958.26	\$16,414.22	\$11,544.04	\$5,161,003.10
84	3/1/2026	4/1/2026	31.00	\$5,161,003.10	\$27,958.26	\$18,132.32	\$9,825.94	\$5,151,177.17
85	4/1/2026	5/1/2026	30.00	\$5,151,177.17	\$27,958.26	\$17,514.00	\$10,444.26	\$5,140,732.91
86	5/1/2026	6/1/2026	31.00	\$5,140,732.91	\$27,958.26	\$18,061.11	\$9,897.15	\$5,130,835.77
87	6/1/2026	7/1/2026	30.00	\$5,130,835.77	\$27,958.26	\$17,444.84	\$10,513.42	\$5,120,322.35
88	7/1/2026	8/1/2026	31.00	\$5,120,322.35	\$27,958.26	\$17,989.40	\$9,968.86	\$5,110,353.49
89	8/1/2026	9/1/2026	31.00	\$5,110,353.49	\$27,958.26	\$17,954.38	\$10,003.88	\$5,100,349.62
90	9/1/2026	10/1/2026	30.00	\$5,100,349.62	\$27,958.26	\$17,341.19	\$10,617.07	\$5,089,732.55
91	10/1/2026	11/1/2026	31.00	\$5,089,732.55	\$27,958.26	\$17,881.93	\$10,076.33	\$5,079,656.23
92	11/1/2026	12/1/2026	30.00	\$5,079,656.23	\$27,958.26	\$17,270.83	\$10,687.43	\$5,068,968.80
93	12/1/2026	1/1/2027	31.00	\$5,068,968.80	\$27,958.26	\$17,808.98	\$10,149.28	\$5,058,819.53
94	1/1/2027	2/1/2027	31.00	\$5,058,819.53	\$27,958.26	\$17,773.32	\$10,184.94	\$5,048,634.59
95	2/1/2027	3/1/2027	28.00	\$5,048,634.59	\$27,958.26	\$16,021.00	\$11,937.26	\$5,036,697.34
96	3/1/2027	4/1/2027	31.00	\$5,036,697.34	\$27,958.26	\$17,695.60	\$10,262.66	\$5,026,434.68
97	4/1/2027	5/1/2027	30.00	\$5,026,434.68	\$27,958.26	\$17,089.88	\$10,868.38	\$5,015,566.30
98	5/1/2027	6/1/2027	31.00	\$5,015,566.30	\$27,958.26	\$17,621.36	\$10,336.90	\$5,005,229.41
99	6/1/2027	7/1/2027	30.00	\$5,005,229.41	\$27,958.26	\$17,017.78	\$10,940.48	\$4,994,288.93
100	7/1/2027	8/1/2027	31.00	\$4,994,288.93	\$27,958.26	\$17,546.60	\$10,411.66	\$4,983,877.28
101	8/1/2027	9/1/2027	31.00	\$4,983,877.28	\$27,958.26	\$17,510.02	\$10,448.24	\$4,973,429.04
102	9/1/2027	10/1/2027	30.00	\$4,973,429.04	\$27,958.26	\$16,909.66	\$11,048.60	\$4,962,380.45
103	10/1/2027	11/1/2027	31.00	\$4,962,380.45	\$27,958.26	\$17,434.50	\$10,523.76	\$4,951,856.69
104	11/1/2027	12/1/2027	30.00	\$4,951,856.69	\$27,958.26	\$16,836.31	\$11,121.95	\$4,940,734.75
105	12/1/2027	1/1/2028	31.00	\$4,940,734.75	\$27,958.26	\$17,358.45	\$10,599.81	\$4,930,134.94
106	1/1/2028	2/1/2028	31.00	\$4,930,134.94	\$27,958.26	\$17,321.21	\$10,637.05	\$4,919,497.89
107	2/1/2028	3/1/2028	29.00	\$4,919,497.89	\$27,958.26	\$16,168.75	\$11,789.51	\$4,907,708.39
108	3/1/2028	4/1/2028	31.00	\$4,907,708.39	\$27,958.26	\$17,242.42	\$10,715.84	\$4,896,992.55
109	4/1/2028	5/1/2028	30.00	\$4,896,992.55	\$27,958.26	\$16,649.77	\$11,308.49	\$4,885,684.07
110	5/1/2028	6/1/2028	31.00	\$4,885,684.07	\$27,958.26	\$17,165.04	\$10,793.22	\$4,874,890.85
111	6/1/2028	7/1/2028	30.00	\$4,874,890.85	\$27,958.26	\$16,574.63	\$11,383.63	\$4,863,507.23
112	7/1/2028	8/1/2028	31.00	\$4,863,507.23	\$27,958.26	\$17,087.12	\$10,871.14	\$4,852,636.09
113	8/1/2028	9/1/2028	31.00	\$4,852,636.09	\$27,958.26	\$17,048.93	\$10,909.33	\$4,841,726.77
114	9/1/2028	10/1/2028	30.00	\$4,841,726.77	\$27,958.26	\$16,461.87	\$11,496.39	\$4,830,230.38
115	10/1/2028	11/1/2028	31.00	\$4,830,230.38	\$27,958.26	\$16,970.21	\$10,988.05	\$4,819,242.33
116	11/1/2028	12/1/2028	30.00	\$4,819,242.33	\$27,958.26	\$16,385.42	\$11,572.84	\$4,807,669.50
117	12/1/2028	1/1/2029	31.00	\$4,807,669.50	\$27,958.26	\$16,890.95	\$11,067.31	\$4,796,602.19
118	1/1/2029	2/1/2029	31.00	\$4,796,602.19	\$27,958.26	\$16,852.06	\$11,106.20	\$4,785,496.00
119	2/1/2029	3/1/2029	28.00	\$4,785,496.00	\$27,958.26	\$15,185.97	\$12,772.29	\$4,772,723.71
120	3/1/2029	4/1/2029	31.00	\$4,772,723.71	\$27,958.26	\$16,768.17	\$11,190.09	\$4,761,533.63
121	4/1/2029	5/1/2029	30.00	\$4,761,533.63	\$27,958.26	\$16,189.21	\$11,769.05	\$4,749,764.58
122	5/1/2029	6/1/2029	31.00	\$4,749,764.58	\$27,958.26	\$16,687.51	\$11,270.75	\$4,738,493.83
123	6/1/2029	7/1/2029	30.00	\$4,738,493.83	\$27,958.26	\$16,110.88	\$11,847.38	\$4,726,646.46
124	7/1/2029	8/1/2029	31.00	\$4,726,646.46	\$27,958.26	\$16,606.28	\$11,351.98	\$4,715,294.48

125	8/1/2029	9/1/2029	31.00	\$4,715,294.48	\$27,958.26	\$16,566.40	\$11,391.86	\$4,703,902.63
126	9/1/2029	10/1/2029	30.00	\$4,703,902.63	\$27,958.26	\$15,993.27	\$11,964.99	\$4,691,937.64
127	10/1/2029	11/1/2029	31.00	\$4,691,937.64	\$27,958.26	\$16,484.34	\$11,473.92	\$4,680,463.73
128	11/1/2029	12/1/2029	30.00	\$4,680,463.73	\$27,958.26	\$15,913.58	\$12,044.68	\$4,668,419.05
129	12/1/2029	1/1/2030	31.00	\$4,668,419.05	\$27,958.26	\$16,401.71	\$11,556.55	\$4,656,862.51
130	1/1/2030	2/1/2030	31.00	\$4,656,862.51	\$27,958.26	\$16,361.11	\$11,597.15	\$4,645,265.36
131	2/1/2030	3/1/2030	28.00	\$4,645,265.36	\$27,958.26	\$14,740.98	\$13,217.28	\$4,632,048.08
132	3/1/2030	4/1/2030	31.00	\$4,632,048.08	\$27,958.26	\$16,273.93	\$11,684.33	\$4,620,363.76
133	4/1/2030	5/1/2030	30.00	\$4,620,363.76	\$27,958.26	\$15,709.24	\$12,249.02	\$4,608,114.74
134	5/1/2030	6/1/2030	31.00	\$4,608,114.74	\$27,958.26	\$16,189.84	\$11,768.42	\$4,596,346.33
135	6/1/2030	7/1/2030	30.00	\$4,596,346.33	\$27,958.26	\$15,627.58	\$12,330.68	\$4,584,015.65
136	7/1/2030	8/1/2030	31.00	\$4,584,015.65	\$27,958.26	\$16,105.17	\$11,853.09	\$4,572,162.57
137	8/1/2030	9/1/2030	31.00	\$4,572,162.57	\$27,958.26	\$16,063.53	\$11,894.73	\$4,560,267.84
138	9/1/2030	10/1/2030	30.00	\$4,560,267.84	\$27,958.26	\$15,504.91	\$12,453.35	\$4,547,814.50
139	10/1/2030	11/1/2030	31.00	\$4,547,814.50	\$27,958.26	\$15,977.99	\$11,980.27	\$4,535,834.23
140	11/1/2030	12/1/2030	30.00	\$4,535,834.23	\$27,958.26	\$15,421.84	\$12,536.42	\$4,523,297.81
141	12/1/2030	1/1/2031	31.00	\$4,523,297.81	\$27,958.26	\$15,891.85	\$12,066.41	\$4,511,231.41
142	1/1/2031	2/1/2031	31.00	\$4,511,231.41	\$27,958.26	\$15,849.46	\$12,108.80	\$4,499,122.61
143	2/1/2031	3/1/2031	28.00	\$4,499,122.61	\$27,958.26	\$14,277.22	\$13,681.04	\$4,485,441.58
144	3/1/2031	4/1/2031	31.00	\$4,485,441.58	\$27,958.26	\$15,758.85	\$12,199.41	\$4,473,242.17
145	4/1/2031	5/1/2031	30.00	\$4,473,242.17	\$27,958.26	\$15,209.02	\$12,749.24	\$4,460,492.94
146	5/1/2031	6/1/2031	31.00	\$4,460,492.94	\$27,958.26	\$15,671.20	\$12,287.06	\$4,448,205.88
147	6/1/2031	7/1/2031	30.00	\$4,448,205.88	\$27,958.26	\$15,123.90	\$12,834.36	\$4,435,371.53
148	7/1/2031	8/1/2031	31.00	\$4,435,371.53	\$27,958.26	\$15,582.94	\$12,375.32	\$4,422,996.21
149	8/1/2031	9/1/2031	31.00	\$4,422,996.21	\$27,958.26	\$15,539.46	\$12,418.80	\$4,410,577.41
150	9/1/2031	10/1/2031	30.00	\$4,410,577.41	\$27,958.26	\$14,995.96	\$12,962.30	\$4,397,615.12
151	10/1/2031	11/1/2031	31.00	\$4,397,615.12	\$27,958.26	\$15,450.29	\$12,507.97	\$4,385,107.15
152	11/1/2031	12/1/2031	30.00	\$4,385,107.15	\$27,958.26	\$14,909.36	\$13,048.90	\$4,372,058.26
153	12/1/2031	1/1/2032	31.00	\$4,372,058.26	\$27,958.26	\$15,360.50	\$12,597.76	\$4,359,460.50
154	1/1/2032	2/1/2032	31.00	\$4,359,460.50	\$27,958.26	\$15,316.24	\$12,642.02	\$4,346,818.49
155	2/1/2032	3/1/2032	29.00	\$4,346,818.49	\$27,958.26	\$14,286.54	\$13,671.72	\$4,333,146.77
156	3/1/2032	4/1/2032	31.00	\$4,333,146.77	\$27,958.26	\$15,223.79	\$12,734.47	\$4,320,412.30
157	4/1/2032	5/1/2032	30.00	\$4,320,412.30	\$27,958.26	\$14,689.40	\$13,268.86	\$4,307,143.45
158	5/1/2032	6/1/2032	31.00	\$4,307,143.45	\$27,958.26	\$15,132.43	\$12,825.83	\$4,294,317.62
159	6/1/2032	7/1/2032	30.00	\$4,294,317.62	\$27,958.26	\$14,600.68	\$13,357.58	\$4,280,960.05
160	7/1/2032	8/1/2032	31.00	\$4,280,960.05	\$27,958.26	\$15,040.44	\$12,917.82	\$4,268,042.23
161	8/1/2032	9/1/2032	31.00	\$4,268,042.23	\$27,958.26	\$14,995.06	\$12,963.20	\$4,255,079.04
162	9/1/2032	10/1/2032	30.00	\$4,255,079.04	\$27,958.26	\$14,467.27	\$13,490.99	\$4,241,588.05
163	10/1/2032	11/1/2032	31.00	\$4,241,588.05	\$27,958.26	\$14,902.11	\$13,056.15	\$4,228,531.91
164	11/1/2032	12/1/2032	30.00	\$4,228,531.91	\$27,958.26	\$14,377.01	\$13,581.25	\$4,214,950.66
165	12/1/2032	1/1/2033	31.00	\$4,214,950.66	\$27,958.26	\$14,808.53	\$13,149.73	\$4,201,800.93
166	1/1/2033	2/1/2033	31.00	\$4,201,800.93	\$27,958.26	\$14,762.33	\$13,195.93	\$4,188,605.01
167	2/1/2033	3/1/2033	28.00	\$4,188,605.01	\$27,958.26	\$13,291.84	\$14,666.42	\$4,173,938.59
168	3/1/2033	4/1/2033	31.00	\$4,173,938.59	\$27,958.26	\$14,664.44	\$13,293.82	\$4,160,644.78

169	4/1/2033	5/1/2033	30.00	\$4,160,644.78	\$27,958.26	\$14,146.19	\$13,812.07	\$4,146,832.71
170	5/1/2033	6/1/2033	31.00	\$4,146,832.71	\$27,958.26	\$14,569.21	\$13,389.05	\$4,133,443.67
171	6/1/2033	7/1/2033	30.00	\$4,133,443.67	\$27,958.26	\$14,053.71	\$13,904.55	\$4,119,539.12
172	7/1/2033	8/1/2033	31.00	\$4,119,539.12	\$27,958.26	\$14,473.31	\$13,484.95	\$4,106,054.18
173	8/1/2033	9/1/2033	31.00	\$4,106,054.18	\$27,958.26	\$14,425.94	\$13,532.32	\$4,092,521.86
174	9/1/2033	10/1/2033	30.00	\$4,092,521.86	\$27,958.26	\$13,914.57	\$14,043.69	\$4,078,478.17
175	10/1/2033	11/1/2033	31.00	\$4,078,478.17	\$27,958.26	\$14,329.05	\$13,629.21	\$4,064,848.97
176	11/1/2033	12/1/2033	30.00	\$4,064,848.97	\$27,958.26	\$13,820.49	\$14,137.77	\$4,050,711.20
177	12/1/2033	1/1/2034	31.00	\$4,050,711.20	\$27,958.26	\$14,231.50	\$13,726.76	\$4,036,984.45
178	1/1/2034	2/1/2034	31.00	\$4,036,984.45	\$27,958.26	\$14,183.27	\$13,774.99	\$4,023,209.46
179	2/1/2034	3/1/2034	28.00	\$4,023,209.46	\$27,958.26	\$12,766.98	\$15,191.28	\$4,008,018.19
180	3/1/2034	3/29/2034	28.00	\$4,008,018.19	\$4,020,736.97	\$12,718.78	\$4,008,018.19	\$0.00

ATTENTION:

THIS BOND HAS NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933 AND MAY NOT BE SOLD
OR TRANSFERRED WITHOUT REGISTRATION UNDER SAID
ACT OR EXEMPTION THEREFROM

UNITED STATES OF AMERICA
STATE OF NEW YORK

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

NORTH COUNTRY SCHOOL REVENUE BONDS,
SERIES 2019B

REGISTERED NUMBER	PRINCIPAL AMOUNT
R-B1	\$_[_____]]

INTEREST RATE	DATED DATE	MATURITY DATE
[_____]%	March 29, 2019	March 29, 2026

Registered Owner: BOSTON PRIVATE BANK AND TRUST COMPANY

Principal Amount: [_____]

The **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation, organized and existing under and by virtue of the laws of the State of New York (hereinafter called the “Issuer”), acknowledges itself indebted and for value received hereby promises to pay, but only from the sources mentioned herein, to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank (the “Bondholder” or “Owner”), or registered assigns, the Principal Amount stated above on the Maturity Date stated above, upon the presentation and surrender hereof at the principal business office of the Issuer at P.O. Box 217, 7566 Court Street, Elizabethtown, NY 12932 and to pay interest (computed on the basis of a 360-day year based upon the actual number of days elapsed) on such Principal Amount from the Dated Date stated above at the Interest Rate stated above (subject to adjustment as set forth in the hereinafter defined Bond Purchase and Loan Agreement) per annum until the Principal Amount is paid, payable initially on May 1, 2019, and on the first day of each month of each calendar year thereafter (each, a “Debt Service Payment Date”), which interest shall be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement (as herein defined) or by check or draft mailed to the Bondholder at its corporate office at 10 Post Office Square, Boston, Massachusetts 02109 or at such other address as Bondholder may designate in writing to North Country School (the “Institution”) and the Issuer, as of the date (whether or not a Business Day) ten (10) days next preceding such Debt Service Payment Date (each, a “Record Date”), or as otherwise provided in the Bond Purchase and Loan Agreement, or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates.

This Bond shall bear interest at the Interest Rate stated above for the period from the Dated Date through the Maturity Date stated above, which rate shall be subject to: (i) the Interest Rate Adjustment (as defined in the Bond Purchase and Loan Agreement referenced below); and (ii) pursuant to Section 3.03(b) of the Bond Purchase and Loan Agreement.

Payment of the principal of this Bond is payable on the Maturity Date, in accordance with the Repayment Schedule attached hereto, and will be payable as provided in Section 5.01 of the Bond Purchase and Loan Agreement or at the principal business office of the Bondholder at 10 Post Office Square, Boston, Massachusetts 02109 or as otherwise provided in the Bond Purchase and Loan Agreement, or at such other address as Bondholder may designate in writing to the Institution and the Issuer or, at the option of the Bondholder, by wire transfer to the wire transfer address, within the continental United States specified by the Bondholder in a written request of the Bondholder received on or before the Record Date, which written request may apply to multiple Debt Service Payment Dates. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Unless otherwise defined herein, all terms herein shall have the same meanings, respectively, as such terms are given in the Bond Purchase and Loan Agreement.

This Bond is duly authorized by the Issuer and designated as “North Country School Revenue Bonds, Series 2019B” (hereinafter called the “Bond”), and issued by the Issuer in the aggregate principal amount of \$1,300,000 under and pursuant to the statutes of the State of New York, including Section 1411 of the Not-for-Profit Corporation Law of the State (the “Act”), the Issuer’s North Country School Revenue Bond Resolution duly adopted by the Issuer on February 21, 2019 (the “Resolution”), and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 among North Country School (the “Institution”), the Issuer and the Bondholder (the “Bond Purchase and Loan Agreement”).

This Bond is a special obligation of the Issuer payable solely from and secured by the Revenues pledged under the Bond Purchase and Loan Agreement, including moneys derived from payments by the Institution of principal and interest under the Bond Purchase and Loan Agreement, and certain funds held by the Bondholder.

The Bonds are issued for the purposes described in the Resolution and the Bond Purchase and Loan Agreement. Reference is hereby made to the Bond Purchase and Loan Agreement for a description of the rights, limitation of rights, obligations, duties and immunities of the Issuer, the Institution and the Bondholder, and, by the acceptance of this Bond, the Bondholder assents to all provisions hereof and of the Bond Purchase and Loan Agreement. Executed copies of the Bond Purchase and Loan Agreement are on file in the principal business office of the Bondholder and in the principal office of the Issuer.

This Bond may be prepaid prior to maturity only in accordance with Section 3.04 of the Bond Purchase and Loan Agreement. If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next succeeding Business Day, and interest shall be payable during such extension at the Interest Rate specified herein.

Upon the occurrence of an Event of Default that has not been waived, as defined in Section 8.01 of the Bond Purchase and Loan Agreement, the principal hereof and accrued interest hereon may be declared to be forthwith due and payable in the manner, upon the conditions and with the effect provided in said Bond Purchase and Loan Agreement and this Bond will bear interest at the Default Interest Rate.

THE BONDS ARE NOT AND SHALL NOT BE A DEBT OF THE COUNTY OF ESSEX OR THE STATE OF NEW YORK AND NEITHER THE COUNTY OF ESSEX OR THE STATE OF NEW YORK SHALL BE LIABLE THEREON. THE ISSUER'S LIABILITY ON THIS BOND IS LIMITED TO PAYMENT FROM THE SOURCES DESCRIBED IN THE BOND PURCHASE AND LOAN AGREEMENT. THE ISSUER HAS NO TAXING POWER.

ALL PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT ARE INCORPORATED HEREIN AS IF SAID PROVISIONS WERE SET FORTH IN FULL HEREIN AND FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH HEREIN. PROVISIONS OF THE BOND PURCHASE AND LOAN AGREEMENT WILL CONTROL TO THE EXTENT INCONSISTENT WITH PROVISIONS OF THIS BOND.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claims based thereon or on the Bond Purchase and Loan Agreement or the Resolution against any member, officer, official or employee of the Issuer or any person executing this Bond, all such liability, if any, being hereby expressly waived and released by the Bondholder by the acceptance hereof, as provided in the Bond Purchase and Loan Agreement.

The Bond Purchase and Loan Agreement contains provisions permitting the amendment thereof by the Issuer, the Institution and the Bondholder.

This Bond is a negotiable instrument, subject, however, to the provisions for registration and transfer contained in the Bond Purchase and Loan Agreement and in this Bond. This Bond is transferable, as provided in the Bond Purchase and Loan Agreement, only upon the registration books kept by the Issuer, as bond registrar, at the request of the Bondholder in person or by its attorney duly authorized in writing, only to a Qualified Institutional Buyer, upon surrender hereof together with a written instrument of transfer in the form attached hereto duly executed by the Bondholder or its duly authorized attorney and upon the payment of such charges as provided in this Bond. Upon surrender for transfer of this Bond and upon receipt of an unqualified assumption of all of the terms of the Bond Purchase and Loan Agreement which shall contain, without limitation, a certification from the transferee that such transferee is a Qualified Institutional Buyer and a reaffirmation by the transferee of the representations and warranties of the Bondholder set forth in the Bond Purchase and Loan Agreement, the Issuer shall cause to be issued in the name of the transferee a new Bond or Bonds in accordance with the provisions of the Bond Purchase and Loan Agreement and this Bond of the same aggregate principal amount, series and maturity.

The Issuer may deem and treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on this Bond and for all other purposes whatsoever, and all such payments so made to the Bondholder or upon

its order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

For every transfer of Bonds, the Issuer may make a charge sufficient to reimburse the Issuer for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the person requesting such transfer, as a condition precedent to the exercise of the privilege of making such transfer. The cost of preparing each new Bond issued upon such transfer and any other expenses of the Issuer incurred in connection therewith shall be paid by the person requesting such transfer.

It is hereby certified and recited by the Issuer that, except as set forth in the following paragraph, all conditions, acts, and things required by the statutes of the State of New York, the Resolution and the Bond Purchase and Loan Agreement to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds and of this Bond in order to make the Bonds and this Bond the legal, valid and binding special obligations of the Issuer, in accordance with their terms, exist, have happened and have been performed in regular and due form as required by law, and that the issuance of the Bonds is within every debt limit and other limit upon the Issuer prescribed by law or by the Resolution or the Bond Purchase and Loan Agreement for the Issuer.

IN WITNESS WHEREOF, THE ESSEX COUNTY CAPITAL RESOURCE CORPORATION, has caused this Bond to be executed in its name by the facsimile signature of its Chairman]and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced hereon and attested by the facsimile signature of its Secretary, all as of the Dated Date stated above.

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

By _____
Chairman

(SEAL)

Attest

Secretary

Date of Registration:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ [PLEASE INSERT THE NAME AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE] the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement, or any change whatever.

In the presence of:

Repayment Schedule

<u>Months</u>		<u>Payment Date</u>		<u>Beginning</u>	<u>Pmt</u>	<u>Interest</u>	<u>Principal</u>	<u>Ending Balance</u>
1	3/29/2019	5/1/2019	33.00	\$1,300,000.00	\$4,385.33	\$4,385.33	\$0.00	\$1,300,000.00
2	5/1/2019	6/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
3	6/1/2019	7/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
4	7/1/2019	8/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
5	8/1/2019	9/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
6	9/1/2019	10/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
7	10/1/2019	11/1/2019	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
8	11/1/2019	12/1/2019	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
9	12/1/2019	1/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
10	1/1/2020	2/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
11	2/1/2020	3/1/2020	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
12	3/1/2020	4/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
13	4/1/2020	5/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
14	5/1/2020	6/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
15	6/1/2020	7/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
16	7/1/2020	8/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
17	8/1/2020	9/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
18	9/1/2020	10/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
19	10/1/2020	11/1/2020	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
20	11/1/2020	12/1/2020	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
21	12/1/2020	1/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
22	1/1/2021	2/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
23	2/1/2021	3/1/2021	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
24	3/1/2021	4/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
25	4/1/2021	5/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
26	5/1/2021	6/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
27	6/1/2021	7/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
28	7/1/2021	8/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
29	8/1/2021	9/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
30	9/1/2021	10/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
31	10/1/2021	11/1/2021	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
32	11/1/2021	12/1/2021	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
33	12/1/2021	1/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
34	1/1/2022	2/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
35	2/1/2022	3/1/2022	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
36	3/1/2022	4/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
37	4/1/2022	5/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
38	5/1/2022	6/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

39	6/1/2022	7/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
40	7/1/2022	8/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
41	8/1/2022	9/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
42	9/1/2022	10/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
43	10/1/2022	11/1/2022	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
44	11/1/2022	12/1/2022	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
45	12/1/2022	1/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
46	1/1/2023	2/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
47	2/1/2023	3/1/2023	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
48	3/1/2023	4/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
49	4/1/2023	5/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
50	5/1/2023	6/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
51	6/1/2023	7/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
52	7/1/2023	8/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
53	8/1/2023	9/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
54	9/1/2023	10/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
55	10/1/2023	11/1/2023	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
56	11/1/2023	12/1/2023	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
57	12/1/2023	1/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
58	1/1/2024	2/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
59	2/1/2024	3/1/2024	29.00	\$1,300,000.00	\$3,853.78	\$3,853.78	\$0.00	\$1,300,000.00
60	3/1/2024	4/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
61	4/1/2024	5/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
62	5/1/2024	6/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
63	6/1/2024	7/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
64	7/1/2024	8/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
65	8/1/2024	9/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
66	9/1/2024	10/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
67	10/1/2024	11/1/2024	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
68	11/1/2024	12/1/2024	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
69	12/1/2024	1/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
70	1/1/2025	2/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
71	2/1/2025	3/1/2025	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
72	3/1/2025	4/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
73	4/1/2025	5/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
74	5/1/2025	6/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
75	6/1/2025	7/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
76	7/1/2025	8/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
77	8/1/2025	9/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
78	9/1/2025	10/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
79	10/1/2025	11/1/2025	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
80	11/1/2025	12/1/2025	30.00	\$1,300,000.00	\$3,986.67	\$3,986.67	\$0.00	\$1,300,000.00
81	12/1/2025	1/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00
82	1/1/2026	2/1/2026	31.00	\$1,300,000.00	\$4,119.56	\$4,119.56	\$0.00	\$1,300,000.00

83	2/1/2026	3/1/2026	28.00	\$1,300,000.00	\$3,720.89	\$3,720.89	\$0.00	\$1,300,000.00
84	3/1/2026	3/29/2026	28.00	\$1,300,000.00	\$1,303,720.89	\$3,720.89	\$1,300,000.00	\$0.00

**ORDER DIRECTING BONDHOLDER
AS TO DEPOSIT OF PROCEEDS AND OTHER MONEYS**

March 29, 2019

Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109

Ladies and Gentlemen:

The Essex County Capital Resource Corporation (the "Issuer"), has heretofore handed to you, duly executed, (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date hereof (collectively, the "Bonds").

The Bonds are authorized to be issued pursuant to the Issuer's North Country School Bond Resolution, adopted February 21, 2019 (the "Bond Resolution") and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement"), by and among the Issuer, North Country School (the "Institution") and Boston Private Bank & Trust Company, as bondholder (the "Bondholder").

You have received the documents required by Section 2.02 of the Bond Purchase and Loan Agreement to be received by you, as Bondholder, as conditions precedent to your purchase of the Bonds.

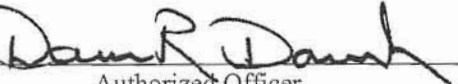
You hereby agree to purchase such Bonds for an aggregate purchase price of \$7,100,000.

You are further directed to deposit and pay such purchase price from the sale of the Bonds to you as follows: \$7,100,000 shall be deposited in the Construction Fund. Of that amount, on the date of Closing: (i) \$142,000 will be applied to pay a portion of the Costs of Issuance as specified in Schedule 1 hereto; and (ii) \$2,773,403.48 (together with \$5,300.00 to be paid by the Institution) shall be paid to NBT Bank to refinance indebtedness previously incurred by the Institution to acquire the Round Lake Cottage and to pay certain other costs of the Project.

All moneys deposited by you in accordance herewith shall be invested and reinvested in accordance with the Bond Purchase and Loan Agreement.

All the terms used herein and not otherwise defined have the meanings given to them in the Bond Purchase and Loan Agreement.

**ESSEX COUNTY CAPITAL RESOURCE
CORPORATION**

By: 
Authorized Officer

ACCEPTED AND AGREED TO BY:

BOSTON PRIVATE BANK & TRUST COMPANY as Bondholder

By: _____
Name:
Title:

[Signature page to Order Directing the Bondholder]

All the terms used herein and not otherwise defined have the meanings given to them in the Bond Purchase and Loan Agreement.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By: _____
Authorized Officer

ACCEPTED AND AGREED TO BY:

BOSTON PRIVATE BANK & TRUST COMPANY as Bondholder

By: *Thatcher Freeborn*
Name: *THATCHER FREEBORN*
Title: *SVP*

[Signature page to Order Directing the Bondholder]

Schedule I

Costs of Issuance

Closing Memorandum
 North Country School / Camp Treetops
 Series 2019 Bonds

EXHIBIT A: Costs of Issuance Breakdown

Costs of Issuance Breakdown	
To be Paid Via Tax-Exempt Bond Proceeds:	
Issuing Authority Fee	\$53,250.00
Municipal Advisor Fee	3,500.00
Outstanding Balance of Lender's Commitment Fee	5,250.00
Bond Counsel Fee	80,000.00
Total	142,000.00
To be Paid Via Demand Revolving Line of Credit	
Borrower's Counsel Fee	76,065.02
Bank Counsel Fee	40,000.00
Issuer's Counsel Fee	4,782.00
Title Insurance Fee	9,418.00
Municipal Advisor Fee	49,750.00
Total	180,015.02
Total Costs of Issuance	\$322,015.02

CERTIFICATE AS TO DELIVERY AND PAYMENT

I, the undersigned, an Authorized Officer of the **ESSEX COUNTY CAPITAL RESOURCE CORPORATION** (the "Issuer"), **DO HEREBY CERTIFY** as follows:

On the date hereof, the Issuer has caused (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date of this letter (collectively, the "Bonds") to be delivered to, or upon the order of, Boston Private Bank & Trust Company, as bondholder of the Bonds (the "Bondholder"), pursuant to the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement"), by and among the Issuer, the Bondholder and North Country School (the "Institution"), upon payment from the Bondholder for the Bonds of an aggregate purchase price of \$7,100,000.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of March, 2019.

ESSEX COUNTY CAPITAL RESOURCE
CORPORATION

By: 
Authorized Officer

[Signature Page to Certificate as to Delivery and Payment]

**CERTIFICATE AS TO REPRESENTATIONS,
WARRANTIES AND COMPLIANCE**

I, the undersigned, an Authorized Officer of the **ESSEX COUNTY CAPITAL RESOURCE CORPORATION** (the “Issuer”), **DO HEREBY CERTIFY** as follows:

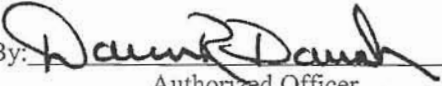
1. This certificate is executed in compliance with the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Bond Purchase and Loan Agreement”), by and among the Issuer, North Country School (the “Institution”) and Boston Private Bank & Trust Company, as bondholder (the “Bondholder”), of the Issuer’s (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date of this letter (collectively, the “Bonds”).

2. Each of the representations and warranties of the Issuer contained in Section 7.01 of the Bond Purchase and Loan Agreement is true and correct and in full force and effect on and as of the date hereof.

3. The Issuer has, at or prior to the date hereof, complied with all agreements and covenants, obtained all consents and satisfied all conditions on its part required to be complied with or satisfied in connection with (a) the delivery and sale of the Bonds under the Issuer’s North Country School Revenue Bond Resolution, adopted February 21, 2019 (the “Bond Resolution”) and the Bond Purchase and Loan Agreement, and (b) the execution and delivery of the Bond Purchase and Loan Agreement, to be complied with by it prior to or concurrently with the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of March, 2019.

ESSEX COUNTY CAPITAL RESOURCE
CORPORATION

By: 
Authorized Officer

Signature Page to Certificate as to Representations, Warranties and Compliance

Tax Certificate and Agreement

TAX CERTIFICATE AND AGREEMENT

BY AND BETWEEN

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

AND

NORTH COUNTRY SCHOOL

\$7,100,000

**Essex County Capital Resource Corporation
North Country School Revenue Bonds, Series 2019A and 2019B**

Dated March 29, 2019

TAX CERTIFICATE AND AGREEMENT

The Essex County Capital Resource Corporation (the “**Issuer**”) and the North Country School (the “**Borrower**”) hereby enter into this Tax Certificate and Agreement (together with the Exhibits attached hereto, the “**Tax Agreement**” or “**Agreement**”) in connection with the issuance of the Issuer’s North Country School Revenue Bonds, Series 2019A and 2019B, in the initial aggregate principal amount of \$7,100,000.00 (the “**Issue**”).

ARTICLE I PURPOSE

Purpose of Tax Agreement. The Issuer and the Borrower are delivering this Tax Agreement to Squire Patton Boggs (US) LLP, Bond Counsel, with the understanding and acknowledgment that Bond Counsel will rely upon this Tax Agreement in rendering its opinion that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103.

ARTICLE II DEFINITIONS AND REPRESENTATIONS

Use of Defined Terms. Unless the context or use indicates another meaning or intent, words and terms used in this Tax Agreement with initial capital letters shall have the meanings given below and in Exhibit A. All capitalized terms relating to a particular issue, such as Sale Proceeds, relate to the Issue, unless indicated otherwise. (For example, “Sale Proceeds” refers to Sale Proceeds of the Issue, unless indicated otherwise.)

“**Act**” means Section 1411 of the Not-for-Profit Corporation Law of the State of New York, as amended (the “Act”).

“**Bond-Financed Facilities**” means all real and personal property financed and refinanced with the Issue, including without limitation the property or facilities identified in the Bond Purchase and Loan Agreement, and any improvements, modifications, substitutions and renewals thereof. “Bond-Financed Facilities” is used interchangeably in this Agreement with “Project” (defined below).

“**Bondholder**” means Boston Private Bank & Trust Company, a Massachusetts chartered bank.

“**Bondholder’s Certificate**” means the Bondholder’s Certificate, dated the date hereof, delivered to Bond Counsel in connection with the issuance of the Issue, and attached hereto as Exhibit F.

“**Bond Fund**” means, collectively, the accounts or portions thereof established by the Borrower with the Bondholder that will be used to pay debt service on the Issue per Section 5.01 of the Bond Purchase and Loan Agreement.

“**Bond Purchase and Loan Agreement**” means the Bond Purchase and Loan Agreement, dated as of March 1, 2019, by and among the Bondholder, the Issuer and the Borrower.

“**Continuing Covenant Agreement**” means the Continuing Covenant Agreement, dated as of March 29, 2019, from the Borrower to the Bondholder.

“Current Refunded Obligation” means the currently outstanding principal amount of the Taxable Loan.

“Financial Advisor” means George K. Baum & Company.

“Financial Advisor’s Certificate” means the Financial Advisor’s Certificate, dated the date hereof, delivered to Bond Counsel in connection with the issuance of the Issue, and attached hereto as Exhibit G.

“New Money Project” means the project undertaken by the Borrower and consisting of, among other things, the construction of an approximate 10,000 square foot performing arts center, renovation of a teaching/learning kitchen, renovation of a waste treatment plant, and renovation of Hike House, along with the acquisition and installation of various machinery, equipment, and furnishings, including fixtures in the above mentioned facilities, and includes interest on the New Money Portion for up to three years from the Issuance Date or, if later, one year after the date the New Money Project is Placed in Service, all of which are governmental purposes for purposes of the Code.

“Pledge Agreement” means the Pledge Agreement, dated as of March 29, 2019, between the Borrower to the Bondholder.

“Prior Issues” means the Taxable Loan and the taxable obligations that were refunded or re-refunded by the Taxable Loan.

“Project” means, collectively, the New Money Project and the Taxable Loan Project.

“Rebate Instructions” means the Rebate Instructions, dated the date hereof, set forth in Exhibit D.

“Reserve Fund” means the Investment Account, as defined in the Pledge Agreement.

“Taxable Loan” means the currently outstanding taxable obligations that financed portions of the Taxable Loan Project and refinanced the various generations of taxable obligations that were originally issued in August 2015 in the original principal amount of \$1,575,000 for the purchase of the Borrower’s Round Lake/Cushman property.

“Taxable Loan Project” means the acquisition of the Round Lake/Cushman property in August of 2015, and the construction of the performing arts center, renovation of a teaching/learning kitchen, renovation of a waste treatment plant, and renovation of Hansen House.

“Use of Proceeds Checklist and Remedial Action Instructions” means the Use of Proceeds Checklist and Remedial Action Instructions, dated the date hereof, set forth in Exhibit B.

Reference in this Tax Agreement and the Exhibits thereto to a Section means a section of the Code. Reference in this Tax Agreement by number only (for example, “3.1”) means that numbered paragraph of this Tax Agreement. Reference to an Exhibit means an exhibit to this Tax Agreement. Each capitalized term used herein, but not otherwise defined herein, shall have the meaning assigned to it in the Bond Purchase and Loan Agreement.

ARTICLE III
COVENANTS OF THE ISSUER AND THE BORROWER
CONCERNING GENERAL (NON-ARBITRAGE) FEDERAL TAX MATTERS

3.1 Tax Status and Eligibility for Financing. The Borrower represents and warrants that (i) it is an organization described in Section 501(c)(3); (ii) it has received one or more letters from the Internal Revenue Service to that effect; (iii) such letter or letters have not been adversely modified, limited or revoked; (iv) it is in compliance with all material terms, conditions and limitations, if any, contained in such letter or letters; (v) the facts and circumstances that form the basis of such letter or letters continue substantially to exist as represented to the Internal Revenue Service; (vi) it is not aware of any facts or circumstances that could cause a revocation of such letter or letters; and (vii) it is exempt from federal income taxation under Section 501(a), except for unrelated business income subject to taxation. The Borrower agrees that it will not take any action or omit to take any action or cause or permit any circumstance within its control to arise or continue if such action or circumstance or omission would cause any revocation or adverse modification of such federal income tax status, unless it obtains an Opinion of Bond Counsel, addressed to the Bondholder, that such revocation or modification will not adversely affect the exclusion from gross income under Section 103(a) of interest paid on the Issue or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code.

3.2 General Tax Covenants.

(A) Compliance with Tax Requirements. The Issuer, to the extent within its control, covenants that it will not knowingly take any action, or fail to take any action, and the Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Issue under Section 103(a) or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code. The Issuer, to the extent within its control, will not knowingly directly or indirectly, and the Borrower will not directly or indirectly, use or permit the use of any Proceeds or any other funds of the Issuer or the Borrower, or take or omit to take any action, if such action or omission would cause the Issue to be or become “arbitrage bonds” within the meaning of Section 148(a) or to fail to qualify as Qualified 501(c)(3) Bonds or to fail to meet any other applicable requirement of Sections 141, 142, 145, 147, 148, 149 and 150 (or their statutory predecessor) or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code. To that end, the Issuer and the Borrower will comply with all requirements of Sections 141, 142, 145, 147, 148, 149 and 150 (or their statutory predecessor) to the extent applicable to the Issue. In the event that at any time the Borrower is of the opinion that, for purposes of this 3.2, it is necessary to restrict or limit the Yield on the investment of any money held by the Bondholder or otherwise, the Borrower will so instruct the Bondholder in writing.

The Issuer and the Borrower hereby covenant and agree that they will not enter into any arrangement, formal or informal, pursuant to which the Borrower (or any Related Party) will purchase any portion of the Issue, except (i) as expressly provided in the Bond Purchase and Loan Agreement in connection with a mandatory tender provided for therein, (ii) if the Borrower obtains a Bond Counsel’s Opinion to the effect that such purchase will not adversely affect the exclusion from gross income of interest on the Issue pursuant to Section 103(a) or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code, or (iii) if the Borrower then presents the purchased portion of the Issue to the Bondholder for cancellation.

(B) No Adverse Effect on Tax Exemption. The Borrower agrees that it will not take any action or omit to take any action, which action or omission would adversely affect the exclusion from gross income of the interest on the Issue for federal income tax purposes or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code, and in the event of such action or omission, it will, promptly upon having such brought to its attention, take such reasonable actions based upon an Opinion of Bond Counsel, and in all cases at the sole expense of the Borrower, as may rescind or otherwise negate such action or omission.

(C) 501(c)(3) Organization. The Borrower will (i) conduct its operations in a manner that will result in its continued qualification as a 501(c)(3) Organization, and (ii) timely file or cause to be filed all returns, reports and other documents that are required to be filed with the Internal Revenue Service (taking into consideration all extensions of time to which it may be or become entitled).

(D) Ownership Requirement. Each Bond-Financed Facility is, or upon completion of acquisition or construction will be, owned by a 501(c)(3) Organization or a Governmental Unit and will continue to be so owned at all times during the Measurement Period applicable to the given Bond-Financed Facility.

(E) Use of Proceeds.

(1) The Borrower shall use not less than 95% of the Net Proceeds of the Issue (except any income as may be required to be deposited into the Rebate Fund) to finance or refinance costs incurred in connection with the provision of property that is and will be used by a 501(c)(3) Organization or a Governmental Unit only in activities that do not constitute a Private Business Use. The Borrower shall use not more than the lesser of \$15,000,000 or 5% of the Net Proceeds of the Issue for purposes or uses that constitute a Private Business Use. For purposes of this paragraph, any Issuance Costs of the Issue that are paid from Net Proceeds and any use of Bond-Financed Facilities by the Borrower (or another 501(c)(3) Organization) in an “unrelated trade or business” within the meaning of Section 513(a) constitute uses of Net Proceeds for a Private Business Use. The Borrower may depart from its covenants in this subparagraph (E) only if and to the extent that an Opinion of Bond Counsel is delivered to the Bondholder that (i) is based on Section 145, (ii) states the extent to which the Borrower may depart from such covenants, and (iii) states that such departure from such covenants will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Issue or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code.

(2) Any naming rights or similar arrangements between the Borrower and any donors will not involve the use of the Bond-Financed Facilities in the trade or business of a Private Person.

(F) Allocations of Bonds to Expenditures. Certain of the Bond-Financed Facilities may constitute one or more “eligible mixed use projects” as defined in Regulations §1.141-6(b)(2) (the “**Mixed-Use Projects**”) because such Mixed-Use Projects: (1) are, pursuant to the same plan of financing, being financed in part with (i) Proceeds, and in part with (ii) funds that are not derived from Proceeds of a borrowing or with Proceeds of obligations that are not Tax-Exempt Obligations (such amounts in (ii), collectively, “**Qualified Equity**”); and (2) will be owned by the Borrower (or a Related Party to the Borrower). Under Regulations §1.141-6(b)(1), any Qualified Equity is allocated first to the Private Business Use of the respective Mixed-Use

Project and then to use that is not Private Business Use, and Proceeds of the Issue are allocated first to use of the respective Mixed-Use Project that is not Private Business Use and then to Private Business Use.

(G) No Private Security or Payment. The Borrower has not secured and will not secure directly or indirectly more than the lesser of \$15,000,000 or 5% of either the principal of or the interest on the Issue by (i) any interest in property used or to be used for any Private Business Use or (ii) payments in respect of property used or to be used for any Private Business Use. It will not cause or permit more than the lesser of \$15,000,000 or 5% of either the principal of or the interest on the Issue to be derived directly or indirectly from payments (whether or not to the Issuer or the Borrower) in respect of property, or borrowed money, used or to be used for any Private Business Use.

(H) Use of Bond-Financed Facilities – Qualified Service Contracts.

(1) General. For purposes of this Tax Agreement, the use by a Private Person of the Bond-Financed Facilities pursuant to a Qualified Service Contract (as hereafter defined) will not be treated as a Private Business Use by such Private Person of such Bond-Financed Facilities or of funds used to finance or refinance such Bond-Financed Facilities. For purposes of this 3.2(H), “Private Person” does not include a 501(c)(3) Organization whose use of the Bond-Financed Facilities is not an unrelated trade or business activity, within the meaning of Section 513(a), of such 501(c)(3) Organization or the Borrower.

(2) Qualified Service Contracts – Rev. Proc. 2017-13. Unless the Borrower chooses to apply the safe harbors described below in 3.2(H)(3) for Service Contracts (defined below) entered into before (and not materially modified after) August 18, 2017, an arrangement under which services are to be provided by a Private Person (“**Service Provider**”) involving the use of all or any portion of, or any function of, the Bond-Financed Facilities (for example, the management services for an entire facility or a specific department of a facility) (“**Service Contract**”) is a “**Qualified Service Contract**” if either (A) the only compensation provided for in the Service Contract consists of reimbursements of actual and direct expenses paid by the Service Provider to persons other than Related Parties and reasonable related administrative overhead expenses of the Service Provider (“**Expense Reimbursement**”) or (B) all of the following conditions are satisfied:

(a) The compensation (including Expense Reimbursement) for services provided pursuant to the Service Contract (“**Compensation**”) is reasonable;

(b) None of the Compensation (disregarding reimbursement of actual and direct expenses paid by the Service Provider to persons other than Related Parties, which for this purpose excludes employees of the Service Provider), including the timing of the payment thereof, is based on net profits from the operation of the portion of the Bond-Financed Facilities with respect to which the Service Provider provides services (the “**Managed Property**”) or any portion thereof. Compensation will not be treated as providing a share of net profits if no element of the Compensation takes into account, or is contingent upon, either the Managed Property’s net profits or both the Managed Property’s revenues and expenses for any fiscal period. For this purpose, Compensation will not be treated as providing the Service Provider a share of the Managed Property’s net profits or requiring the Service Provider to bear a share of

Managed Property's net losses if the Compensation is: (i) based solely on a capitation fee, a periodic fixed fee, or a per-unit fee; (ii) incentive compensation that is determined by the Service Provider's performance in meeting one or more standards that measure quality of services, performance, or productivity, and the amount and timing of the payment of the incentive compensation does not take into account (or is contingent upon) the Managed Property's net profits; or (iii) a combination of the types of Compensation set forth in (i) and (ii);

(c) The determination of the amount of Compensation and the amount of any expenses to be paid by the Service Provider (and not reimbursed), separately and collectively, do not take into account either the Managed Property's net losses or both the Managed Property's revenues and expenses for any fiscal period;

(d) The timing of the payment of Compensation is not contingent upon the Managed Property's net losses or net profits. Deferral of the payment of Compensation will not be treated as contingent on the Managed Property's net losses or net profits if the Service Contract includes requirements that: (i) the Compensation is payable at least annually; (ii) the Borrower is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and (iii) the Borrower will pay such deferred Compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment of the Compensation;

(e) The term of the Service Contract, including all renewal options, is no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the Managed Property;

(f) The Borrower must exercise a significant degree of control over the use of the Managed Property. This control requirement is met if the Service Contract requires the Borrower to approve the annual budget of the Managed Property, capital expenditures with respect to the Managed Property, each disposition of property that is part of the Managed Property, rates charged for the use of the Managed Property, and the general nature and type of use of the Managed Property (for example, the type of services);

(g) The Borrower must bear the risk of loss upon damage or destruction of the Managed Property;

(h) The Service Provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a Service Provider to the Borrower with respect to the Managed Property (e.g., the Service Provider will not claim depreciation, amortization, or investment tax credit, or deduction for any payment as rent, with respect to the Managed Property); and

(i) The Service Provider must have no role or relationship with the Borrower, directly or indirectly, that, in effect, substantially limits the Borrower's ability to exercise its rights under the Service Contract, based on all the facts and circumstances. A Service Provider will not be treated as having a role or relationship that substantially limits the Borrower's ability to exercise its rights under the Service Contract if:

(i) Not more than 20 percent of the voting power of the governing body of the qualified user in the aggregate is vested in the

directors, officers, shareholders, partners, members, and employees of the Service Provider;

(ii) The governing body of the Borrower does not include the chief executive officer of the Service Provider or the chairperson (or equivalent executive) of the Service Provider's governing body; and

(iii) The chief executive officer of the Service Provider is not the chief executive officer of the Borrower or any Related Party to the Borrower.

For purposes of 3.2(H)(2)(i), a Service Provider includes any person that is a Related Party to the Service Provider and the phrase "chief executive officer" includes a person with equivalent management responsibilities.

(3) Qualified Service Contracts – Rev. Proc. 97-13. If the Borrower chooses to apply the following safe harbors, a Service Contract is a Qualified Service Contract if entered into before (and not materially modified after) August 18, 2017 and all of the following conditions are satisfied:

(a) The compensation for services provided pursuant to the Service Contract is reasonable;

(b) None of the compensation for services provided pursuant to the Service Contract is based on net profits from operation of the Bond-Financed Facilities or any portion thereof;

(c) The compensation provided in the Service Contract satisfies one of the following subparagraphs:

(i) at least 95% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee and the term of the Service Contract, including all renewal options, does not exceed the lesser of 80% of the reasonably expected useful life of the Bond-Financed Facilities and fifteen years. For purposes of 3.2(H), a "periodic fixed fee" means a stated dollar amount for services rendered for a specified period of time that does not increase except for automatic increases pursuant to a specified, objective external standard that is not linked to the output or efficiency of the Bond-Financed Facilities (*e.g.*, the Consumer Price Index) and a "renewal option" means a provision under which the Service Provider has a legally enforceable right to renew the Service Contract but does not include a provision under which a Service Contract is automatically renewed for one-year periods absent cancellation by either party, even if such Service Contract is expected to be renewed; or

(ii) at least 80% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee and the term of the Service Contract, including all renewal options, does not exceed the lesser of 80% of the reasonably expected useful life of the Bond-Financed Facilities and 10 years; or

(iii) at least 50% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed five years, and the Service Contract is terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the third year of the Service Contract term; or

(iv) all of the compensation for services is based on a capitation fee or a combination of a capitation fee and a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed five years, and the Service Contract is terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the third year of the Service Contract term; a “capitation fee” means a fixed periodic amount for each person for whom the Service Provider assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of service actually provided to covered persons varies substantially; or

(v) all of the compensation for services is based on a per-unit fee or a combination of a per unit fee and a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed three years and the Service Contract is terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the second year of the Service Contract term; a “per-unit fee” means a fee based on a unit of service provided (*e.g.*, a stated dollar amount for each specified procedure) and generally includes separate billing arrangements between physicians and hospitals; or

(vi) all of the compensation for services is based on a percentage of fees charged or a combination of a per-unit fee and a percentage of revenue or expense fee, the term of the Service Contract, including all renewal options, does not exceed two years and the Service Contract is terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the first year of the Service Contract term; this subparagraph (vi) applies only to (I) Service Contracts under which the Service Provider primarily provides services to third parties (*e.g.*, health care services) or (II) Service Contracts involving the Bond-Financed Facilities during an initial start-up period for which there has been insufficient operations to establish a reasonable estimate of the amount of the annual gross revenues (or gross expenses in the case of a Service Contract based on a percentage of gross expenses) (*e.g.*, a Service Contract for general management services for the first year of operations), in which case the compensation for services may be based on a percentage of gross revenues, adjusted gross revenues (*i.e.*, gross revenues less allowances for bad debts and contractual and similar allowances), or expenses of the Bond-Financed Facilities, but not more than one of these measures; or

(vii) all of the compensation for services is based on a stated amount, a periodic fixed fee, a capitation fee, a per-unit fee, or a combination of the preceding. The compensation for services also may include a percentage of gross revenues, adjusted gross revenues, or expenses of the Bond-Financed Facilities (but not both revenues and expenses). The term of the Service Contract, including all renewal

options, does not exceed five years, and the Service Contract need not be terminable by the Borrower prior to the end of the term. For purposes of 3.2(H)(3)(c)(vii), a tiered productivity award as described in section 5.02(3) of Internal Revenue Service Revenue Procedure 97-13, as amplified by Internal Revenue Service Notice 2014-67, will be treated as a stated amount or a periodic fixed fee, as appropriate.

For purposes of 3.2(H)(3), a Service Contract is considered to contain termination penalties if the termination limits the Borrower's right to compete with the Service Provider, requires the Borrower to purchase equipment, goods or services from the Service Provider, or requires the Borrower to pay liquidated damages for cancellation of the Service Contract. Another contract between the Service Provider and the Borrower (for example, a loan or guarantee by the Service Provider) is considered to create a contract termination penalty if that contract contains terms that are not customary or arm's length that could operate to prevent the Borrower from terminating the Service Contract. A requirement that the Borrower reimburse the Service Provider for ordinary and necessary expenses, or restrictions on the hiring by the Borrower of key personnel of the Service Provider are not treated as contract termination penalties.

(d) The Service Provider has no role or relationship with the Borrower, directly or indirectly, that, in effect, substantially limits the Borrower's ability to exercise its rights under the Service Contract, including cancellation rights;

(e) The Service Provider and its directors, officers, shareholders and employees possess in the aggregate, directly or indirectly, no more than 20% of the voting power of the governing body of the Borrower;

(f) No individual who is a member of the governing body of the Service Provider and the Borrower is the chief executive officer of the Borrower or the Service Provider or the chairperson of the governing body of the Borrower or the Service Provider; and

(g) The Borrower and the Service Provider are not Related Parties.

(4) Exceptions. The Borrower may treat a Service Contract that does not comply with one or more of the criteria of 3.2(H) as not resulting in Private Business Use of Bond-Financed Facilities if it delivers to the Bondholder, at its expense, an Opinion of Bond Counsel to the effect that such Service Contract does not result in Private Business Use of Bond-Financed Facilities and that entering into such Service Contract would not adversely affect the exclusion from gross income of the interest on the Issue or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code.

(I) Use of Bond-Financed Facilities – Qualified Research Contracts.

(1) General. For purposes of this Tax Agreement, sponsorship or other financial support by a Private Person (including the United States and any agencies or instrumentalities thereof) of research to be performed by the Borrower in the Bond-Financed Facilities pursuant to a Qualified Research Contract (as

hereafter defined) will not be treated as a Private Business Use by such Private Person of such Bond-Financed Facilities or of funds used to finance or refinance such Bond-Financed Facilities.

(2) Qualified Research Contracts. A contract described in either of the following two paragraphs is a Qualified Research Contract.

(a) A research contract relating to property used for basic research (*i.e.*, any original investigation for the advancement of scientific knowledge not having a specific commercial objective) supported or sponsored by a Private Person is described herein if any license or other use of resulting technology by the sponsoring party (*i.e.*, the Private Person) is permitted only on the same terms as the Borrower would permit such use by any nonsponsoring unrelated party (*i.e.*, the sponsor must pay a competitive price for its use of the technology); and the price to be paid for such use must be determined at the time the technology is available for use rather than an earlier time (*e.g.*, when the research agreement is entered into).

(b) A research contract relating to property used pursuant to an industry or federally-sponsored research arrangement is described herein if: (1) a single or multiple sponsors agree to fund Borrower-performed basic research; (2) the research to be performed and the manner in which it is to be performed is determined by the Borrower; (3) title to any patent or other product incidentally resulting from the basic research lies exclusively with the Borrower; and (4) sponsors are entitled to no more than a nonexclusive, royalty-free license to use the product of any such research. The rights of the federal government and its agencies mandated by the Bayh-Dole Act (*i.e.*, "march-in rights") will not cause a research agreement to fail to meet the requirements of this paragraph (b), provided that clauses (2) and (3) of this paragraph are met, and the license granted to any party other than the Borrower to use the resulting technology is no more than a nonexclusive, royalty-free license to use the product of such result.

(3) Exceptions. The Borrower may treat an arrangement for the conduct of research in Bond-Financed Facilities that does not constitute a Qualified Research Contract as not resulting in Private Business Use of Bond-Financed Facilities if it delivers to the Bondholder, at its expense, an Opinion of Bond Counsel to the effect that such arrangement does not result in Private Business Use of Bond-Financed Facilities and that entering into such arrangement would not adversely affect the exclusion from gross income of the interest on the Issue or cause the interest on the Issue, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code.

(J) Issue Not Federally Guaranteed. The Issue is not Federally Guaranteed.

(K) Issuance Costs Limitation. As set forth in 4.9(B), no Proceeds will for federal tax purposes be allocated to the payment of Issuance Costs.

(L) Prohibited Facilities. None of the Proceeds of the Issue will be used, directly or indirectly, to provide any airplane, skybox or other private luxury box, or health club facility (except any health club facility related to the Section 501(c)(3) purpose of the Borrower under the Code), any facility primarily used for gambling or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(M) Residential Rental Property. None of the Proceeds of the Issue will be used, directly or indirectly, to provide residential rental property for family units within the meaning of Section 145(d).

(N) No \$150 Million Limitation. At least 95% of the Net Proceeds of the Issue is to be used to finance capital expenditures incurred after August 5, 1997. Accordingly, pursuant to Section 145(b)(5), Section 145(b) does not apply to the Issue and no portion of the aggregate authorized face amount of the Issue is taken into account for purposes of applying the \$150 million limitation of Section 145(b) to outstanding obligations allocated to the Borrower or any other 501(c)(3) Organization that is a “test period beneficiary” of the property financed by such outstanding obligations or any Related Party to either the Borrower or such other 501(c)(3) Organization.

(O) Internal Revenue Service Information Return. Within the time and on the form prescribed by the Internal Revenue Service under Section 149(e), the Issuer shall file with the Internal Revenue Service an information return setting forth the required information relating to the Issue. The information reported on that information return will be true, correct and complete to the best of the knowledge and belief of the Issuer and Borrower, as applicable. The Borrower shall prepare and cause to be submitted true and complete amendments of, or supplements to, that information return if, in the Opinion of Bond Counsel, such amendments or supplements are deemed to be necessary or advisable.

(P) No Change in Use. No changes will be made in the Bond-Financed Facilities or in the use thereof that (i) would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Issue or would cause the interest on the Issue, or any portion thereof, to constitute an item of tax preference for purposes of the alternative minimum tax imposed under the Code, or (ii) would cause the Bond-Financed Facilities not to constitute a “project” within the meaning of the Act as in effect on the Issuance Date. The Borrower will use those Bond-Financed Facilities or cause those Bond-Financed Facilities to be used so long as the Issue remains outstanding so as to constitute a “project” within the meaning of the Act as in effect on the Issuance Date.

(Q) Maturity. Exhibit E to this Tax Agreement sets forth the assets comprising the Bond-Financed Facilities, which are the only assets being financed or refinanced with the Issue, and the Borrower’s computation of 120% of the weighted average of the reasonably expected economic lives of the assets comprising the Bond-Financed Facilities (at least 45.9958 years). The reasonably expected economic lives of the assets are based on the “asset depreciation range” midpoint lives, as set forth by the Internal Revenue Service, and, in the case of buildings, Revenue Procedure 62-21, and in all cases constitute the reasonable expectations of the Borrower based upon the particular assets, the circumstances of use and other factors that may impact the useful lives of the assets. The weighted average maturity of the Issue (11.9371 years), set forth in the Financial Advisor’s Certificate does not exceed 120% of the weighted average of the reasonably expected economic lives of the assets comprising the Bond-Financed Facilities. The Borrower covenants that it will not deviate from the expenditure of Proceeds on Bond-Financed Facilities as set forth in Exhibit E unless such deviation: (1) does not cause the weighted average maturity of the Issue to exceed 120% of the weighted average of the reasonably expected economic lives of the assets that ultimately comprise the Bond-Financed Facilities; and (2) does not otherwise violate 3.2(P).

(R) Not Hedge Bonds. The Issuer and the Borrower each represents that at least 85% of the Spendable Proceeds of the Issue (other than such Spendable Proceeds to be used to pay Debt Service on another issue) will be used to carry out the governmental purposes thereof within three years from the Issuance Date. The Issuer and the Borrower reasonably expected on the Issuance Date of each of the Prior Issues that not less than 85% of the Spendable

Proceeds of the respective Prior Issue (other than such Spendable Proceeds used or to be used to pay Debt Service on another issue) would be used, and such amounts were or will be used, to carry out the governmental purposes of such Prior Issue within three years from the Issuance Date thereof. The Issuer and the Borrower each represents that not more than 50%, if any, of the Proceeds of the Issue (other than such Proceeds to be used to pay Debt Service on another issue) will be, and not more than 50%, if any, of the Proceeds of each of the Prior Issues (other than such Proceeds used or to be used to pay Debt Service on another issue) were, invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more, including but not limited to any investment contract or fixed-yield investment having a maturity of four years or more. The reasonable expectations stated above were not and are not based on and do not take into account (1) any expectations or assumptions as to the occurrence of changes in market interest rates or changes of federal tax law or regulations or rulings thereunder or (2) any prepayments of items other than items that are customarily prepaid.

(S) Applicable Elected Representative Approval. In accordance with the requirements of Section 147(f), the Issue was approved on February 4, 2019 by an “applicable elected representative” of the Issuer, after a public hearing held on December 21, 2018, following reasonable public notice thereof. The Issuer has geographic jurisdiction throughout Essex County, New York, which is the geographic jurisdiction in which the Project is located. The Borrower covenants that no change will be made to the Issue or the Project as approved by the applicable elected representative of the Issuer, other than the insubstantial deviations permitted by the applicable Regulations.

(T) Filing Requirements. The Borrower hereby covenants to file at the time and in the manner required by the Internal Revenue Service complete and accurate Forms 990 and 990-T, including Schedule K to Form 990, or any successor or additional forms as required by the Internal Revenue Service. Such forms shall accurately report all required information regarding the Issue, including information as to Private Business Use of the Bond-Financed Facilities and arbitrage restrictions.

(U) Establishing Written Procedures to Monitor the Use of Proceeds and to Remediate Non-Qualified Bonds. The Issuer, to the extent within its control, and the Borrower will monitor the expenditure of Gross Proceeds and the use of Bond-Financed Facilities and will undertake, if necessary, any available measures under Regulations §1.141-12 in order to comply after the Issuance Date with the applicable covenants contained in 3.2. The Issuer and the Borrower hereby acknowledge and establish the Use of Proceeds Checklist and Remedial Action Instructions (attached as Exhibit B) as their written procedures to ensure such compliance and, if necessary, the remediation of all “nonqualified bonds” (as defined in the Remedial Action Instructions) in accordance with Regulations §1.141-12.

(V) Tax Questionnaire Response. As of the date hereof, all of the statements, representations, and certifications made by the Borrower contained in the Borrower’s Tax Questionnaire Response, attached hereto as Exhibit I, continue to be true and correct, and fairly present the matters covered thereby, and there are no material omissions of relevant facts therefrom.

ARTICLE IV ARBITRAGE AND OTHER CERTIFICATIONS

4.1 General. The Issuer and the Borrower, by their respective officers signing this Tax Agreement, certify, represent, and covenant as set forth in this Article IV with respect to the Issue. All statements in this Article IV are of facts or, as to events to occur in the future, reasonable expectations as of the date of this Tax Agreement, which is the Issuance Date. In making the certifications, representations and covenants in this Article IV, the Issuer relies in

part on the representations of the Borrower set forth in this Article IV relating to the Issue. To the best of the knowledge, information and belief of the undersigned, all expectations stated in this Article IV are the expectations of the Issuer and the Borrower, respectively, and are reasonable, all facts stated are true, and there are no other existing facts, estimates or circumstances that would or could materially change the factual statements made in this Article IV. The certifications and representations made in this Article IV are intended to be relied upon as certifications described in Regulations §1.148-2(b). The Issuer and the Borrower acknowledge that any change in the facts or expectations from those set forth in this Article IV may result in different requirements or a change in status of the Issue or interest thereon under the Code, and that Bond Counsel is to be contacted if such changes are to occur or have occurred.

4.2 Governmental Unit. The Issuer is a Governmental Unit.

4.3 Dates. The Sale Date of the Issue is March 29, 2019, and the Issuance Date of the Issue is March 29, 2019. The final maturity date of the Issue is March 29, 2034.

4.4 Purpose of Issue. The Issue is being issued to provide funds that will be allocated for federal income tax purposes (A) to pay costs of the New Money Project, (B) to currently refund the Current Refunded Obligation, and (C) to pay interest on the Issue (see 4.9(B)).

4.5 Issue Price. As set forth in the Bondholder's Certificate, the Issue Price is \$7,100,000.00, computed as follows:

Par amount of Issue	\$ 7,100,000.00
Net Original Issue Premium or (Discount)	0.00
Pre-Issuance Accrued Interest	<u>0.00</u>
Issue Price	<u>\$ 7,100,000.00</u>

4.55 Sale Proceeds, Net Proceeds and Net Sale Proceeds. The Sale Proceeds, Net Proceeds and Net Sale Proceeds are as follows:

Issue Price	\$ 7,100,000.00
Less: Pre-Issuance Accrued Interest	(<u>0.00</u>)
Sale Proceeds	\$ 7,100,000.00
Less: Deposit to Reserve Fund	(<u>0.00</u>)
Net Proceeds	\$ 0.00
Less: Minor Portion	(<u>100,000.00</u>)
Net Sale Proceeds	<u>\$ 7,000,000.00</u>

4.6 Disposition of Sale Proceeds. The Sale Proceeds will be allocated for federal income tax purposes as follows:

To pay costs of the New Money Project	\$4,182,768.07
To retire the Current Refunded Obligation	2,775,231.93
To pay interest on the Issue	<u>142,000.00</u>
Total Sale Proceeds	<u>\$ 7,100,000.00</u>

4.7 Higher Yielding Investments. Gross Proceeds will not be invested in Higher Yielding Investments except for (A) those Gross Proceeds identified in 4.9, 4.10 and 4.11, but only during the applicable Temporary Periods there described for those Gross Proceeds, and (B) the Minor Portion.

4.8 Single Issue. All of the obligations of the Issue were sold on the Sale Date pursuant to the same plan of financing and are expected to be paid from substantially the same source of funds. Whether obligations are expected to be paid from substantially the same source of funds is determined without regard to guarantees from a person who is not a Related Party to the Issuer. Accordingly, all of the obligations of the Issue constitute a single “issue” for federal income tax purposes. No obligations, other than those comprising the Issue, have been or will be sold less than 15 days before or after the Sale Date that are expected to be paid from substantially the same source of funds as the Issue. Accordingly, no obligations other than those comprising the Issue are a part of a single issue with the Issue.

4.9 Use of Net Sale Proceeds; Temporary Periods.

(A) Pre-Issuance Accrued Interest. No amount will be received as Pre-Issuance Accrued Interest.

(B) Funded Interest and Issuance Costs. Sale Proceeds in the amount of \$142,000.00 will be used on a direct tracing basis to pay Issuance Costs within 13 months from the Issuance Date. Pursuant to Regulations § 1.148-6(d)(1)(iii), such Sale Proceeds are hereby allocated for federal tax purposes to the interest payments made on the Issue on or before October 1, 2019 and are treated as held in a Bona Fide Debt Service Fund prior to such use. Accordingly, the period prior to such use, being less than 13 months after the Issuance Date, constitutes the Temporary Period for that amount. The funds that would otherwise be used to make such interest payments are hereby allocated for federal tax purposes to the payment of the Issuance Costs. Thus, for federal tax purposes, no portion of the Sale Proceeds is treated as used to pay Issuance Costs.

(C) Refunding of the Current Refunded Obligation.

(1) Sale Proceeds in the amount of \$2,775,231.93 will be used on the Issuance Date to retire the Current Refunded Obligation, the period prior to such use being the Temporary Period for those Sale Proceeds.

(2) All proceeds of the Prior Issues allocable to the Current Refunded Obligation have been spent. Accordingly, there will be no Transferred Proceeds of the Issue.

(3) There are no Replacement Proceeds of the Prior Issues.

(D) Payment of Costs of the Project.

(1) Net Sale Proceeds of the New Money Portion in the amount of \$4,182,768.07 will be used to pay the costs of the New Money Project within three years from the Issuance Date of the Issue, such three-year period being the Temporary Period for such Net Sale Proceeds because the following three tests are reasonably expected to be satisfied:

(a) at least 85% of the Net Sale Proceeds of the New Money Portion will be allocated to expenditures on the New Money Project by the end of the Temporary Period for such Net Sale Proceeds;

(b) within six months of the Issuance Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the Net Sale Proceeds of the New Money Portion on the New Money Project; and

(c) completion of the New Money Project and the allocation of the Net Sale Proceeds of the New Money Portion to expenditures with respect to the New Money Project will proceed with due diligence.

Any Net Sale Proceeds of the New Money Portion that remain unspent on the third anniversary of the Issuance Date, which is the expiration date of the Temporary Period for such Proceeds, shall not be invested in Higher Yielding Investments with respect to the Issue after that date except as part of the Minor Portion. In complying with the foregoing sentence, "yield reduction payments" (within the meaning of Regulations §1.148-5(c)) paid to the United States may be taken into account.

(2) No Reimbursement Allocation will be made with respect to the Issue.

(E) Reserve Fund. No Sale Proceeds of the Issue will be deposited into the Reserve Fund. Other funds of the Borrower will be deposited in the Reserve Fund. At no time will the aggregate amounts held in the Reserve Fund that are invested in Higher Yielding Investments with respect to the Issue exceed the least of (i) 10% of the stated principal amount of the Issue, (ii) maximum annual Debt Service on the Issue, and (iii) 125% of average annual Debt Service. The establishment and funding of the Reserve Fund was a vital and necessary factor in the Bondholder's decision to purchase the Issue. (See Exhibit F).

4.10 Use of Investment Proceeds; Temporary Periods. Any Investment Proceeds of the Refunding Portion will be used to pay Debt Service on the Issue or for other governmental purposes of the Issuer within one year after the receipt of those Investment Proceeds, such period being the Temporary Period applicable to those Investment Proceeds. Any Investment Proceeds of the New Money Portion will be used to pay costs of the New Money Project, and such Investment Proceeds may be invested in Higher Yielding Investments during the Temporary Period identified in 4.9(D)(1) or, if longer, one year from the date of receipt, such period being the Temporary Period for such Proceeds.

4.11 Bond Fund. Amounts deposited from time to time in the Bond Fund, which is a Bona Fide Debt Service Fund, will be used to pay Debt Service on the Issue within 13 months after the amounts are so deposited, such period being the Temporary Period for such amounts.

4.12

(A) **No Other Replacement Fund or Assured Available Funds.** No sinking fund, debt service fund, redemption fund, reserve or replacement fund, or similar fund, or any other fund to pay Debt Service has been established or is expected to be established other than the Bond Fund and the Reserve Fund. Except for Proceeds of an issue, if any, that is issued to refund the Issue, no other money or Investment Property is or will be pledged as collateral or used for the payment of Debt Service (or for the reimbursement of any others who may provide money to pay that Debt Service), or is or will be restricted, dedicated, encumbered or set aside in any way as to afford the holders of the Issue reasonable assurance of the availability of such money or Investment Property to pay Debt Service on the Issue other than the Bond Fund and the Reserve Fund. No Proceeds are or will be used to, directly or indirectly, replace funds (including but not limited to donations, grants or other amounts) of the Issuer or of the Borrower

or any Related Party that (1) are or will be used directly or indirectly to acquire Higher Yielding Investments and (2) have been restricted in use to the payment of all or a portion of the cost of the Project.

(B) **Replacement Proceeds and Negative Pledge.** The Borrower has covenanted in Section 3 of the Continuing Covenant Agreement to maintain a specified Debt Service Coverage Ratio and a specified Liquidity Ratio (as described, respectively, in Section 3.1 and 3.2 of the Continuing Covenant Agreement). Amounts held by the Borrower pursuant to the Debt Service Coverage Ratio and the Liquidity Ratio, do not constitute Replacement Proceeds because: (i) the amount of unrestricted cash and investments required to be held pursuant to either the Debt Service Coverage Ratio or Liquidity Ratio does not exceed reasonable needs for which it is maintained, because the amounts so held by the Borrower as of the end of the Borrower's most recent fiscal year (i.e., the fiscal year ending on August 31, 2018), which is before this requirement became effective, exceed the amounts that would have been required to be held under the Debt Service Coverage Ratio or Liquidity Ratio had either covenant been in effect; (ii) satisfaction of each required ratio is tested no more frequently than once every 6 months; and (iii) the amount held under the Debt Service Coverage Ratio and Liquidity Ratio may be spent without any substantial restriction other than a requirement to replenish the amount by the next testing date.

4.13 No Overissuance. The Proceeds of the Issue are not reasonably expected to exceed the amount needed for the governmental purposes of the Issue. No Proceeds are or will be used to, directly or indirectly, replace funds (including but not limited to donations, grants or other amounts) of the Issuer or of the Borrower or any Related Party that (1) are or will be used directly or indirectly to acquire Higher Yielding Investments and (2) have been restricted in use to the payment of all or a portion of the cost of the Project. In particular, the aggregate Capital Expenditures for the New Money Project less (1) the amount of any funds received to date by the Borrower with respect to solicitations for money to be used for the payment or reimbursement of such Capital Expenditures for such New Money Project and (2) the amount of any other funds of the Borrower otherwise dedicated or earmarked for the payment or reimbursement of such Capital Expenditures for such New Money Project exceeds \$6,618,003.00. Any amounts that the Borrower receives with respect to solicitations for money to be used for the payment or reimbursement of such Capital Expenditures for the New Money Project, in excess of such amounts received to date and necessary to complete the New Money Project, will be delivered by the Borrower, to the Bondholder, for deposit to the Bond Fund and for use to retire obligations of the Issue within one year of the date of receipt. To the extent that such amounts cannot be used within one year of the date of receipt to retire obligations of the Issue, the Borrower will invest those amounts in obligations the Yield on which does not exceed the Yield on the Issue or in Tax-Exempt Obligations the interest on which is also not a "specified private activity bond" within the meaning of Section 57(a)(5)(C).

4.14 Other Uses of Proceeds Negated. Except as stated otherwise in this Article IV, none of the Proceeds of the Issue will be used:

(A) to pay principal of or interest on, refund, renew, roll over, retire, or replace any other obligations issued by or on behalf of the Issuer or any other Governmental Unit,

(B) to replace any Proceeds of another issue that were not expended on the project for which such other issue was issued,

(C) to replace any money that was or will be used directly or indirectly to acquire Higher Yielding Investments,

(D) to make a loan to any person or other Governmental Unit,

(E) to pay any Working Capital Expenditure other than expenditures identified in Regulations §1.148-6(d)(3)(ii)(A) and (B) (*i.e.*, Issuance Costs, Qualified Administrative Costs, reasonable charges for a Qualified Guarantee or for a Qualified Hedge, interest on the Issue for a period commencing on the Issuance Date and ending on the date that is the later of three years from such Issuance Date or one year after the date on which the Project will be Placed in Service, payments of the Rebate Amount, costs, other than those already described, that do not exceed 5% of the Sale Proceeds and that are directly related to Capital Expenditures financed or deemed financed by the Issue, principal or interest on an issue paid from unexpected excess Sale Proceeds or Investment Proceeds, principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a Bona Fide Debt Service Fund, and expenditures for extraordinary, nonrecurring items that are not customarily payable from current revenues, such as casualty losses or extraordinary legal judgments in amounts in excess of reasonable insurance coverage),

(F) to reimburse any expenditures made prior to the Issuance Date except those that qualify as a valid allocation of Proceeds to expenditures pursuant to a Reimbursement Allocation that satisfies the requirements of Regulations §1.150-2, or

(G) solely for the purpose of investing Proceeds in Higher Yielding Investments.

4.15 Disposition of Bond-Financed Facilities; Purchase of Issue. There is no intention to sell or otherwise dispose of the Bond-Financed Facilities or any portion thereof during the term of the Issue except for dispositions of property in the normal course at the end of such property's useful life to the Borrower. Neither the Issuer nor the Borrower intends to purchase, directly or indirectly, any portion of the Issue in a transaction or series of transactions that would reduce the Yield.

4.16 Minor Portion. The Minor Portion with respect to the Issue is \$100,000.00. Such Minor Portion may be invested in Higher Yielding Investments with respect to the Issue.

4.17 No Other Replacement Proceeds. That portion of the Issue that is to be used to finance Capital Expenditures has a weighted average maturity that does not exceed 120% of the weighted average reasonably expected economic life of such Capital Expenditures.

4.18 Obligation Regarding Rebate. Consistent with its covenants contained in Section 4.05 of the Bond Purchase and Loan Agreement, the Borrower will calculate and make, or cause to be calculated and made, payments of the Rebate Amount in the amounts and at the times and in the manner provided in Section 148(f) and the Rebate Instructions with respect to Gross Proceeds to the extent not exempted under Section 148(f)(4) and the Rebate Instructions.

4.19 No Avoidance of Rebate Amount. No amounts that are required to be paid to the United States will be used to make any payment to a party other than the United States through a transaction or a series of transactions that reduces the amount earned on any Investment Property or that results in a smaller profit or a larger loss on any Investment Property than would have resulted in an arm's-length transaction in which the Yield on the Issue was not relevant to either party to the transaction.

4.20 Rebate Exceptions. Notwithstanding the foregoing, the computations and payments of amounts to the United States referred to in 4.18 need not be made to the extent that the Issuer will not thereby fail to comply with any requirements of either Section 148(f) or the Rebate Instructions based on an Opinion of Bond Counsel, as described below in 5.1.

4.21 Qualified Guarantee. Reserved.

4.22 Reserved.

4.23 Yield to Issuer on Bond Purchase and Loan Agreement. Aside from the Issuer's fee with respect to the Issue in the amount of \$53,250.00, the aggregate of the payments, money and other revenues to be paid by the Borrower to the Issuer pursuant to the Bond Purchase and Loan Agreement will be in the same amounts as Debt Service on the Issue and will be held, together with any earnings thereon, by the Bondholder in the Bond Fund for the account of the Issuer until applied toward payment of Debt Service on the Issue. The Yield to the Issuer on the Bond Purchase and Loan Agreement will not exceed the Yield on the Issue by more than one and one-half percentage points (1.5%). The Bond Purchase and Loan Agreement is a "purpose investment" (within the meaning of Regulations §1.148-1(b)) that qualifies as a "program investment" (within the meaning of Regulations §1.148-1(b)) based on the following:

(1) the Bond Purchase and Loan Agreement is part of a program that involves the origination or acquisition of purpose investments;

(2) at least 95% of the cost of the purpose investments acquired under the program represents one or more loans to a substantial number of persons representing the general public, states or political subdivisions, 501(c)(3) Organizations, persons who provide housing and related facilities, or any combination of the foregoing;

(3) at least 95% of all of the amounts received by the Issuer from purpose investments under the program will be used for one or more of the following purposes: (a) to pay the principal, interest or redemption prices on issues that financed the program; (b) to pay or reimburse administrative costs of those issues or of the program; (c) to pay or reimburse anticipated future losses directly related to the program; (d) to finance additional purpose investments for the same general purposes of the program; (e) to redeem and retire Issuer obligations at the next earliest possible date of redemption;

(4) the Borrower covenants that neither it nor any Related Party will purchase bonds of the Issue in an amount related to the amount of the Bond Purchase and Loan Agreement; and

(5) the Issuer has not and will not waive the right to treat the Bond Purchase and Loan Agreement as a program investment.

4.24 Hedge Contracts. Neither the Issuer nor the Borrower has entered into, nor does either reasonably expect to enter into, any Hedge with respect to the Issue, or any portion thereof. The Issuer and the Borrower acknowledge that entering into a Hedge with respect to the Issue, or any portion thereof, may change the Yield and that Bond Counsel should be contacted prior to entering into any Hedge with respect to the Issue in order to determine whether payments/receipts pursuant to the Hedge are to be taken into account in computing the Yield.

4.25 Recordkeeping. The Borrower will maintain records to support the representations, certifications and expectations set forth in this Tax Agreement until the date three (3) years after the last bond of the Issue has been retired, and if any portion of the Issue is refunded by a Refunding Issue, the Borrower will maintain all records listed hereunder until the later of the date three (3) years after the last bond of the Issue has been retired or the date three (3) years after the last bond of the Refunding Issue has been retired. The records to be retained include, but are not limited to:

(A) Basic records and documents relating to the Issue (including this Tax Agreement and all Opinions of Bond Counsel relating to the Issue).

(B) Documentation evidencing the timing and allocation of expenditures of Proceeds of the Issue and of all issues refunded directly or indirectly by the Issue.

(C) Documentation evidencing the use of the Project by all persons, including Private Persons (*e.g.*, copies of any management contracts, leases, etc.).

(D) Documentation evidencing all sources of payment or security for the Issue.

(E) Documentation pertaining to all investments of Proceeds (including the purchase and sale of securities, subscriptions for U.S. Treasury Securities – State and Local Government Series, actual investment income received from the investment of Proceeds, guaranteed investment contracts, and rebate calculations).

(F) Records of all amounts paid to the United States pursuant to 4.18.

(G) Any elections or revocations of elections under the Code relating to the Issue.

4.26 Written Procedures to Monitor the Requirements of Section 148. The Issuer, to the extent within its control, and the Borrower acknowledge and agree that the procedures set forth in this Article IV and in Exhibits C and D constitute their written procedures to monitor compliance with the requirements of Section 148.

ARTICLE V MISCELLANEOUS

5.1 Bond Counsel's Opinion. Notwithstanding any provision of this Tax Agreement, if the Borrower provides to the Issuer a Bond Counsel's Opinion to the effect that any action required under this Tax Agreement is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Issue pursuant to Section 103(a) or to prevent the interest on the Issue, or any portion thereof, from being an item of tax preference for purposes of the alternative minimum tax, the Issuer, the Borrower and the Bondholder may rely conclusively on such opinion in complying with the provisions hereof, and the covenants hereunder will be deemed to be modified to that extent.

5.2 Tax Covenants Survive Termination of the Bond Purchase and Loan Agreement. All covenants and obligations of the Issuer and the Borrower contained in this Tax Agreement will remain in effect and be binding upon the Issuer and the Borrower, respectively, as long as any portion of the Issue remains outstanding, notwithstanding any earlier termination of the Bond Purchase and Loan Agreement or any provision for payment of principal of and premium, if any, and interest on the Issue.

5.3 Issuer Reliance on Other Parties. Except as specifically set forth herein, the Issuer, in making the certifications and representations herein, relies exclusively on the certifications and representations of the Borrower, the Bondholder and the Financial Advisor. The expectations of the Issuer concerning certain uses of the Proceeds, the use and operation of the Bond-Financed Facilities and other matters are based in whole or in part upon representations and certifications of other parties set forth in this Tax Agreement and the Exhibits hereto. The Issuer is not aware of any facts or circumstances that would cause the Issuer to question the accuracy or reasonableness of any representation or certification made in this Tax Agreement.

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IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Tax Agreement to be duly signed in their respective names by their duly authorized officers as of the date first above written.

**ESSEX COUNTY CAPITAL
RESOURCE CORPORATION**

By: 
Title: Chairman

NORTH COUNTRY SCHOOL


By: _____
Title: _____

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Tax Agreement to be duly signed in their respective names by their duly authorized officers as of the date first above written.

**ESSEX COUNTY CAPITAL
RESOURCE CORPORATION**

By: _____
Title:

NORTH COUNTRY SCHOOL

By: 
Title:

LIST OF EXHIBITS

- Exhibit A – Definitions to Tax Certificate and Agreement
- Exhibit B – Use of Proceeds Checklist and Remedial Action Instructions
- Exhibit C – Arbitrage Compliance Checklist
- Exhibit D – Rebate Instructions
- Exhibit E – Useful Life Chart and Tax Spreadsheet
- Exhibit F – Bondholder’s Certificate
- Exhibit G – Financial Advisor’s Certificate
- Exhibit H – [Reserved]
- Exhibit I – Tax Questionnaire Response
- Exhibit J – Form 8038

EXHIBIT A
to Tax Certificate and Agreement

DEFINITIONS

The following terms, as used in this Exhibit A, the Tax Agreement to which it is attached and in the other Exhibits to the Tax Agreement, have the following meanings unless therein otherwise defined or unless a different meaning is indicated by the context in which the term is used. Capitalized terms used within these definitions that are not defined in this Exhibit A have the meanings ascribed to them in the Tax Agreement to which this Exhibit A is attached. The word “issue,” in lower case, refers either to the Issue or to another issue of obligations or portion thereof treated as a separate issue for the applicable purposes of Section 148, as the context requires. The word “obligation” or “obligations,” in lower case, includes any obligation, whether in the form of bonds, notes, certificates, or any other obligation that is a “bond” within the meaning of Section 150(a)(1). All terms used in this Exhibit A, the Tax Agreement to which it is attached and the other Exhibits to the Tax Agreement, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141 to 150 and the applicable Regulations thereunder except as otherwise specified. All terms relating to a particular issue, such as Sale Proceeds and Refunding Portion, relate to that issue, unless indicated otherwise. All references to a Section, unless otherwise noted, refer to the Code. All capitalized terms used in this Exhibit A, the Tax Agreement to which it is attached and the other Exhibits to the Tax Agreement include either the singular or the plural.

“Advance Refunding Issue” means any Refunding Issue that is not a Current Refunding Issue.

“Advance Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as an Advance Refunding Issue if it had been issued as a separate issue.

“Available Construction Proceeds” means an amount equal to (a) the sum of (i) the Issue Price of an issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocable to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocable to the underwriter’s discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocable to the issue. “Available Construction Proceeds” does not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocable to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the project financed by the issue is substantially completed, provided, however, that such Investment Proceeds or earnings shall be excluded from “Available Construction Proceeds” if the Issuer has timely elected such exclusion. If an issue is a Multipurpose Issue that includes a New Money Portion that is a Construction Issue, this definition shall be applied by substituting “New Money Portion” for “issue” each place the latter term appears. If an issue or the New Money Portion of a Multipurpose Issue, as applicable, is not a Construction Issue, and the Issuer makes the bifurcation election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting “Construction Portion” for “issue” each place the latter term appears.

“Available Project Proceeds” means “available project proceeds” as defined in Section 54A(e)(4), being the sum of (A) the excess of (i) Sale Proceeds over (ii) Issuance Costs paid with Sale Proceeds (to the extent that such Issuance Costs do not exceed 2% of Sale

Proceeds) plus (B) Proceeds actually or constructively received from any investment of such excess.

“Bifurcated Issue” means a New Money Issue or the New Money Portion of a Multipurpose Issue that the Issuer, pursuant to Section 148(f)(4)(C)(v) and Regulations §1.148-7(j), has elected in its Tax Agreement to bifurcate into a Construction Portion, which finances 100% of the Construction Expenditures, and a Nonconstruction Portion.

“Bona Fide Debt Service Fund” means a fund, including a portion of or an account in that fund (or in the case of a fund established for two or more issues, the portion of that fund properly allocable to an issue), or a combination of such funds, accounts or portions that is used primarily to achieve a proper matching of revenues with Debt Service on an issue within each Bond Year and that is depleted at least once each year except for a reasonable carryover amount not to exceed the greater of the earnings thereon for the immediately preceding Bond Year or one-twelfth of the annual Debt Service on the issue for the immediately preceding Bond Year.

“Bond Counsel’s Opinion” or **“Opinion of Bond Counsel”** means an opinion or opinions of a nationally recognized bond counsel firm whose opinion is given with respect to the Issue when issued, or its successors or other nationally recognized bond counsel appointed by the Issuer.

“Bond Year” means the annual period relevant to the application of Section 148(f) to an issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of an issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

“Capital Expenditures” means costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles, including capitalized interest computed taking into account the Placed in Service date.

“Code” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“Commingled Fund” means any fund or account of the Issuer that contains both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of the issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

“Commingled Investment Proceeds” means Investment Proceeds of an issue (other than Investment Proceeds held in a Refunding Escrow) that are deposited in a Commingled Fund with substantial tax or other revenues from governmental operations of the Issuer and that are reasonably expected to be spent for governmental purposes within six months from the date of deposit in the Commingled Fund, using any reasonable accounting assumptions.

“Computation Date” means each date on which the Rebate Amount for an issue is required to be computed under Regulations §1.148-3(e). In the case of a Fixed Yield Issue, the

first Computation Date shall not be later than five years after the Issuance Date of the issue. Subsequent Computation Dates shall be not later than five years after the immediately preceding Computation Date for which an installment payment of the Rebate Amount was paid. In the case of a Variable Yield Issue, the first Computation Date shall be the last day of any Bond Year irrevocably selected by the Issuer ending on or before the fifth anniversary of the Issuance Date of such issue and subsequent Computation Dates shall be the last day of each Bond Year thereafter or each fifth Bond Year thereafter, whichever is irrevocably selected by the Issuer after the first date on which any portion of the Rebate Amount is required to be paid to the United States. The final Computation Date is the date an issue is retired.

“Computational Base” means the amount of Gross Proceeds the Issuer or Conduit Borrower reasonably expects, as of the date a Guaranteed Investment Contract is required, to be deposited in that Guaranteed Investment Contract over its term.

“Conduit Borrower” means the obligor on a purpose investment.

“Conduit Financing Issue” means an issue the Proceeds of which are reasonably expected to be used to finance one or more Conduit Loans.

“Conduit Loan” means a purpose investment acquired by the Issuer with Proceeds of a Conduit Financing Issue, thereby effecting a loan to the Conduit Borrower.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization. If an issue is a Multipurpose Issue that includes a New Money Portion, this definition shall be applied by substituting “New Money Portion” for “Construction Issue” each place the latter term appears. If an election under Section 148(f)(4)(C)(v) and Regulations §1.148-7(j) is made to bifurcate an issue or the New Money Portion of a Multipurpose Issue, this definition shall be applied by substituting “Construction Portion” for “Construction Issue” each place the latter term appears.

“Construction Portion” means that portion of an issue or the New Money Portion of a Multipurpose Issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization and that finances 100% of the Construction Expenditures.

“Controlled Group” means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of Regulations §1.150-1(e).

“Current Refunding Issue” means a Refunding Issue that is issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Issue for the payment of Debt Service on the Refunded Bonds.

“Current Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as a Current Refunding Issue if it had been issued as a separate issue.

“Debt Service” means principal of and interest and any redemption premium on an issue.

“Excess Gross Proceeds” means all Gross Proceeds of an Advance Refunding Issue that exceed an amount equal to 1% of the Sale Proceeds of such Advance Refunding Issue, other than Gross Proceeds allocable to: (a) payment of Debt Service on the Refunded Bonds; (b) payment of Pre-Issuance Accrued Interest on the Advance Refunding Issue and interest on the Advance Refunding Issue that accrues for a period up to the completion date of any capital project financed by the Prior Issue, plus one year; (c) a reasonably required reserve or replacement fund for the Advance Refunding Issue or Investment Proceeds of such fund; (d) payment of Issuance Costs of the Advance Refunding Issue; (e) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Advance Refunding Issue, or investments of the Advance Refunding Issue; (f) Transferred Proceeds allocable to expenditures for the governmental purpose of the Prior Issue (treating for this purpose all unspent Proceeds of the Prior Issue properly allocable to the Refunded Bonds as of the Issuance Date of the Advance Refunding Issue as Transferred Proceeds); (g) interest on purpose investments; (h) Replacement Proceeds in a sinking fund for the Advance Refunding Issue; and (i) fees for a Qualified Guarantee for the Advance Refunding Issue or the Prior Issue. If an Issue is a Multipurpose Issue that includes an Advance Refunding Portion, this definition shall be applied by substituting “Advance Refunding Portion” for “Advance Refunding Issue” each place the latter term appears.

“Federally Guaranteed” means that (a) the payment of Debt Service on an issue, or the payment of principal or interest with respect to any loans made from the Proceeds of the issue, is directly or indirectly guaranteed in whole or in part by the United States or by an agency or instrumentality of the United States, within the meaning of Section 149(b), or (b) more than 5% of the Proceeds of an issue will be invested directly or indirectly in federally insured deposits or accounts. The preceding sentence does not apply to (a) Proceeds invested during an initial Temporary Period until such Proceeds are needed to pay costs of the project, (b) investments of a Bona Fide Debt Service Fund, (c) direct purchases from the United States of obligations issued by the United States Treasury, or (d) other investments permitted by Section 149(b) or Regulations §1.149(b)-1(b).

“501(c)(3) Organization” means an organization described in Section 501(c)(3) and exempt from tax under Section 501(a).

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Future Value” means the value of a Payment or Receipt at the end of a period determined using the economic accrual method as the value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the applicable issue, using the same compounding interval and financial conventions that were used to compute that Yield.

“Governmental Unit” means a state, territory or possession of the United States, the District of Columbia, or any political subdivision thereof referred to as a “State or local governmental unit” in Regulations §1.103-1(a). “Governmental Unit” does not include the United States or any agency or instrumentality of the United States.

“Gross Proceeds” means Proceeds and Replacement Proceeds of an issue.

“Guaranteed Investment Contract” means any Nonpurpose Investment that has specifically negotiated withdrawal or retirement provisions and a specifically negotiated interest

rate and any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

“Hedge” means a contract entered into by the Issuer or the Conduit Borrower primarily to modify the Issuer’s or the Conduit Borrower’s risk of interest rate changes with respect to an obligation (*e.g.*, an interest rate swap, an interest rate cap, a futures contract, a forward contract or an option).

“Higher Yielding Investments” means any Investment Property that produces a Yield that (a) in the case of Investment Property allocable to Replacement Proceeds of an issue and Investment Property in a Refunding Escrow, is more than one thousandth of one percentage point (.00001) higher than the Yield on the applicable issue, and (b) for all other purposes is more than one eighth of one percentage point (.00125) higher than the Yield on the issue.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds of an issue in Investment Property.

“Investment Property” means investment property within the meaning of Sections 148(b)(2) and 148(b)(3), including any security (within the meaning of Section 165(g)(2)(A) or (B)), any obligation, any annuity contract and any other investment-type property (including certain residential rental property for family units as described in Section 148(b)(2)(E) in the case of any bond other than a Private Activity Bond). Investment Property includes a Tax-Exempt Obligation that is a “specified private activity bond” as defined in Section 57(a)(5)(C), but does not include other Tax-Exempt Obligations.

“Issuance Costs” means costs to the extent incurred in connection with, and allocable to, the issuance of an issue, and includes underwriter’s compensation withheld from the Issue Price, counsel fees, financial advisory fees, rating agency fees, trustee fees, paying agent fees, bond registrar, certification and authentication fees, accounting fees, printing costs for bonds and offering documents, public approval process costs, engineering and feasibility study costs, guarantee fees other than for a Qualified Guarantee and similar costs, but does not include fees charged by the Issuer.

“Issuance Date” means the date of physical delivery of an issue by the Issuer in exchange for the purchase price of the issue.

“Issue Price” has the meaning set forth in the Tax Agreement.

“Measurement Period” means, for any property financed or refinanced by the Issue, the period that (i) begins on the later of (a) the date such property is Placed in Service or (b) the Issuance Date of the Issue or the Issuance Date of an Original Issue or Prior Issue, as required or elected under Regulations § 1.141-13, and that (ii) ends on the earlier of (a) the last date of the reasonably expected economic life of such property or (b) the latest maturity date of any bond of the Issue (determined without regard to any optional redemption dates).

“Minor Portion” means an amount equal to the lesser of \$100,000 or 5% of the Sale Proceeds of an issue.

“Multipurpose Issue” means an issue the bonds of which are allocable to two or more separate governmental purposes within the meaning of Regulations § 1.148-9(h).

“Net Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue.

“Net Sale Proceeds” means the Sale Proceeds of an issue less (a) the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue and (b) the portion invested as a part of a Minor Portion for the issue.

“New Money Issue” means an issue that is not a Refunding Issue.

“New Money Portion” means that portion of a Multipurpose Issue other than the Refunding Portion.

“Nonconstruction Portion” means that portion of a New Money Issue or of the New Money Portion other than the Construction Portion.

“Nonpurpose Investments” means any Investment Property that is acquired with Gross Proceeds as an investment and not in carrying out any governmental purpose of an issue. “Nonpurpose Investments” does not include any investment that is not regarded as “investment property” or a “nonpurpose investment” for the particular purposes of Section 148 (such as certain investments in U.S. Treasury obligations in the State and Local Government Series and certain temporary investments), but does include any other investment that is a “nonpurpose investment” within the applicable meaning of Section 148.

“Payment” means payments actually or constructively made to acquire Nonpurpose Investments, as specified in Regulations §1.148-3(d)(1)(i) through (v).

“Placed in Service” means the date on which, based on all the facts and circumstances, a facility has reached a degree of completion that would permit its operation at substantially its design level and the facility is, in fact, in operation at such level.

“Pre-Issuance Accrued Interest” means interest on an obligation that accrued for a period not greater than one year before its Issuance Date and that will be paid within one year after such Issuance Date.

“Preliminary Expenditures” means any Capital Expenditures that are “preliminary expenditures” within the meaning of Regulations §1.150-2(f)(2), *i.e.*, architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project other than land acquisition, site preparation, and similar costs incident to commencement of construction. The aggregate amount of Preliminary Expenditures may not exceed 20% of the aggregate Issue Price of the issue or issues that financed or are reasonably expected to finance the project for which such Preliminary Expenditures are or were incurred.

“Prior Issue” means an issue of obligations all or a portion of the Debt Service on which is paid or provided for with Proceeds of a Refunding Issue. The Prior Issue may be a Refunding Issue.

“Private Activity Bond” means (a) obligations of an issue more than 10% of the Proceeds of which, directly or indirectly, are or are to be used for a Private Business Use and more than 10% of the Debt Service on which, directly or indirectly, is or is to be paid from or secured by payments with respect to property, or secured by property, used for a Private Business Use, or (b) obligations of an issue, the Proceeds of which are or are to be used to make or finance loans to any Private Person that, in the aggregate, exceed the lesser of 5% of such Proceeds or \$5,000,000. In the event of Unrelated or Disproportionate Use, the tests in (a) shall be applied by substituting 5% for 10% each place the latter term is used.

“Private Business Use” means use (directly or indirectly) in a trade or business carried on by any Private Person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a Private Person (other than a natural person) shall be treated as a trade or business. In the case of a Qualified 501(c)(3) Bond, Private Business Use excludes use by a 501(c)(3) Organization that is not an unrelated trade or business activity by such 501(c)(3) Organization within the meaning of Section 513(a).

“Private Person” means any natural person or any artificial person, including a corporation, partnership, trust or other entity, other than a Governmental Unit. “Private Person” includes the United States and any agency or instrumentality of the United States.

“Private Security or Payments” means (i) any interest in property used or to be used for a Private Business Use, or in payments in respect of such property, that directly or indirectly secures any payment of principal of, or interest on, an issue, or (ii) payments (whether or not to the Issuer or the Conduit Borrower) in respect of property, or borrowed money, used or to be used for a Private Business Use from which payments of principal of, or interest on, an issue are directly or indirectly derived, all as determined and measured in accordance with Regulations §1.141-4.

“Proceeds” means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of an issue. “Proceeds” does not include Replacement Proceeds.

“Qualified Administrative Costs” means the reasonable, direct administrative costs, other than carrying costs, of purchasing or selling Nonpurpose Investments such as separately stated brokerage or selling commissions. Qualified Administrative Costs do not include legal and accounting fees, recordkeeping, custody and similar costs, general overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount. In general, Qualified Administrative Costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

“Qualified 501(c)(3) Bonds” means an issue of obligations that satisfies the requirements of Section 145(a).

“Qualified Guarantee” means any guarantee of an obligation that constitutes a “qualified guarantee” within the meaning of Regulations §1.148-4(f).

“Qualified Hedge” means a Hedge that is a “qualified hedge” within the meaning of Regulations §1.148-4(h)(2).

“Reasonable Retainage” means an amount, with respect to an issue, not to exceed 5% of the Net Sale Proceeds of the issue, that is retained for reasonable business purposes relating to the property financed with Proceeds of the issue. For example, Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the Issuer reasonably determines that a dispute exists regarding completion or payment.

“Rebate Amount” means the excess of the future value, as of any date, of all receipts on Nonpurpose Investments acquired with Gross Proceeds of an issue over the future value, as of that date, of all payments on those Nonpurpose Investments, computed in accordance with Section 148(f) and Regulations §1.148-3.

“Rebate Analyst” means an independent individual, firm or entity experienced in the computation of the Rebate Amount pursuant to Section 148(f).

“Receipt” means amounts actually or constructively received from Nonpurpose Investments as specified in Regulations §1.148-3(d)(2)(i) through (iii).

“Refunded Bonds” means obligations of a Prior Issue the Debt Service on which is or is to be paid from Proceeds of a Refunding Issue.

“Refunding Bonds” means obligations of a Refunding Issue.

“Refunding Escrow” means one or more funds established as part of a single transaction, or a series of related transactions, containing Proceeds of a Refunding Issue and any other amounts to be used to pay Debt Service on Refunded Bonds of one or more issues.

“Refunding Issue” means an issue the Proceeds of which are or are to be used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs of the Refunding Issue.

“Refunding Portion” means that portion of a Multipurpose Issue the Proceeds of which are, or are to be, used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs properly allocable to the Refunding Portion.

“Regulations” or **“Reg.”** means Treasury Regulations.

“Reimbursement Allocation” means an allocation of the Proceeds of an issue for the reimbursement of Capital Expenditures paid prior to the Issuance Date of such issue that: (a) is evidenced on the books or records of the Issuer maintained with respect to the issue, (b) identifies either actual prior Capital Expenditures or the fund or account from which the prior Capital Expenditures were paid, (c) evidences the Issuer’s use of Proceeds of the issue to reimburse a Capital Expenditure for a governmental purpose that was originally paid from a source other than the Proceeds of the issue, and (d) satisfies the following requirements: except for Preliminary Expenditures, (i) the Issuer or, in the case of Qualified 501(c)(3) Bonds, the Conduit Borrower adopted an official intent for the Capital Expenditure that satisfies Regulations §1.150-2(e) prior to, or within 60 days after, payment of the Capital Expenditure, and (ii) the reimbursement allocation of that Capital Expenditure occurs or will occur within 18 months after the later of the date the Capital Expenditure was paid or the date the project resulting from such Capital Expenditure was Placed in Service or abandoned, but in no event more than three years after the Capital Expenditure was paid.

“Related Party” means, in reference to a Governmental Unit or 501(c)(3) Organization, any member of the same Controlled Group and, in reference to any person that is not a Governmental Unit or 501(c)(3) Organization, a “related person” as defined in Section 144(a)(3).

“Replacement Proceeds” means, with respect to an issue, amounts (including any investment income, but excluding any Proceeds of any issue) replaced by Proceeds of that issue within the meaning of Section 148(a)(2). “Replacement Proceeds” includes amounts, other than Proceeds, held in a sinking fund, pledged fund or reserve or replacement fund for an issue.

“Sale Date” means, with respect to an issue, the first date on which there is a binding contract in writing with the Issuer for the sale and purchase of an issue (or of respective

obligations of the issue if sold by the Issuer on different dates) on specific terms that are not later modified or adjusted in any material respect.

“Sale Proceeds” means that portion of the Issue Price actually or constructively received by the Issuer upon the sale or other disposition of an issue, including any underwriter’s compensation withheld from the Issue Price, but excluding Pre-Issuance Accrued Interest.

“Spendable Proceeds” means the Net Sale Proceeds of an issue.

“Tax-Exempt Obligation” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidence of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148.

“Tax-Exempt Organization” means a Governmental Unit or a 501(c)(3) Organization.

“Temporary Period” means the period of time, as set forth in the Tax Agreement, applicable to particular categories of Proceeds of an issue during which such category of Proceeds may be invested in Higher Yielding Investments without the issue being treated as arbitrage bonds under Section 148.

“Transferred Proceeds” means that portion of the Proceeds of an issue (including any Transferred Proceeds of that issue) that remains unexpended at the time that any portion of the principal of the Refunded Bonds of that issue is discharged with the Proceeds of a Refunding Issue and that thereupon becomes Proceeds of the Refunding Issue as provided in Regulations §1.148-9(b). “Transferred Proceeds” does not include any Replacement Proceeds.

“Unrelated or Disproportionate Use” means Private Business Use that is not related to or is disproportionate to use by a Governmental Unit within the meaning of Section 141(b)(3) and Regulations §1.141-9.

“Variable Yield Issue” means any Issue that is not a Fixed Yield Issue.

“Working Capital Expenditures” means any costs of a type that do not constitute Capital Expenditures, including current operating expenses.

“Yield” has the meaning assigned to it for purposes of Section 148, and means that discount rate (stated as an annual percentage) that, when used in computing the present worth of all applicable unconditionally payable payments of Debt Service, all payments for a Qualified Guarantee, if any, and payments and receipts with respect to a Qualified Hedge, if any, as required by the Regulations, paid and to be paid with respect to an obligation (paid and to be paid during and attributable to the Yield Period in the case of a Variable Yield Issue), reduced by the credit, if any, allowed by Section 6431, produces an amount equal to (a) the Issue Price in the case of a Fixed Yield Issue or the present value of the Issue Price at the commencement of the applicable Yield Period in the case of a Variable Yield Issue, or (b) the purchase price for yield purposes in the case of Investment Property, all subject to the applicable methods of computation provided for under Section 148, including variations from the foregoing. The Yield on Investment Property in which Proceeds or Replacement Proceeds of an issue are invested is computed on a basis consistent with the computation of Yield on that issue, including the same compounding interval of not more than one year selected by the Issuer.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

The terms “bond,” “obligation,” “reasonably required reserve or replacement fund,” “reserve or replacement fund,” “loan,” “sinking fund,” “purpose investment,” “same plan of financing,” “other replacement proceeds” and other terms relating to Code provisions used but not defined in this Certificate shall have the meanings given to them for purposes of Sections 103 and 141 to 150 unless the context indicates another meaning.

(End of Exhibit A)

EXHIBIT B
to Tax Certificate and Agreement

**USE OF PROCEEDS CHECKLIST AND REMEDIAL ACTION INSTRUCTIONS FOR
NONQUALIFIED BONDS**

The Issuer and Borrower covenanted in the Tax Agreement to monitor the expenditure of Gross Proceeds and use of Bond-Financed Facilities in order to comply with various restrictions and requirements imposed by the Code and Regulations on Qualified 501(c)(3) Bonds. The Issuer and Borrower further covenanted in the Tax Agreement to comply, if necessary, with the remedial action requirements set forth in Regulations §1.141-12 for non-qualified bonds of the Issue. The following Checklist and Instructions provide guidance for such compliance, and the Checklist and Instructions are intended to satisfy Section 7.2.3.1.1 of the Internal Revenue Manual. The Checklist and Instructions shall also apply to all other outstanding and future issues of Tax-Exempt Obligations issued by the Issuer the Proceeds of which are used by the Borrower. Capitalized terms not defined in the Checklist and Instructions have the meanings given in the Tax Agreement or in Exhibit A to that Agreement.

PART 1 - USE OF PROCEEDS CHECKLIST

1. Use of Proceeds

- 1.1. Ensure there exists a clearly established accounting procedure for tracking investment and expenditures of Bond Proceeds, including Investment Proceeds.
- 1.2. At or shortly after issuance of a Bond issue, allocate Proceeds of the Bond issue to reimbursement of prior expenditures, as appropriate.
- 1.3. Ensure that a final allocation of Bond Proceeds (including Investment Proceeds) to qualifying expenditures is made if Bond Proceeds are to be allocated to project expenditures on a basis other than “direct tracing” (direct tracing means treating the Bond Proceeds as spent as shown in the accounting records for bond draws and project expenditures). *An allocation other than on the basis of “direct tracing” is often made to reduce the Private Business Use (see Section 2, below) of Bond Proceeds that would otherwise result from “direct tracing” of Bond Proceeds to project expenditures. This allocation must be made within 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than five years and 60 days after the Issuance Date of the Bonds or 60 days after the Bond issue is retired. Bond counsel can assist with the final allocation of Bond Proceeds to project costs.*
- 1.4. Maintain careful records of all facilities and other costs (e.g., Issuance Costs, credit enhancement and capitalized interest) and uses (e.g., deposit to reserve fund) for which Bond Proceeds were spent or used. These records should be maintained separately for each issue of Bonds.
- 1.5. Ensure that no more than 2% of the Sale Proceeds of a Bond issue are used to pay Issuance Costs.
- 1.6. Ensure that all Proceeds are spent in accordance with the published notice of public hearing for the Issue and Exhibit E (useful life calculation) to the Tax Agreement.
- 1.7. Ensure that all Bond-Financed Facilities are owned by a 501(c)(3) Organization or a Governmental Unit.
- 1.8. On at least an annual basis, identify all current and contemplated uses of Bond-Financed Facilities and confer as necessary with Bond Counsel to ensure that the use of the Bond-Financed Facilities complies with the covenants and restrictions set forth in the Tax Agreement.

2. **Monitoring Private Business Use**

- 2.1. Before entering into any new management, service, or research agreements described in 2.3.3 and 2.3.4, below, engage Bond Counsel to review such agreements to determine whether they result in Private Business Use.
- 2.2. Analyze at least annually any Private Business Use of Bond-Financed Facilities to determine whether the 5% limitation on Private Business Use of Proceeds of the Issue is exceeded. Contact Bond Counsel if this limit is exceeded.
- 2.3. Maintain copies of all of the following contracts or arrangements (or, if no written contract exists, maintain detailed records of the following contracts or arrangements) with a Private Person:
 - 2.3.1. Sales of Bond-Financed Facilities.
 - 2.3.2. Leases of Bond-Financed Facilities.
 - 2.3.3. Management or service contracts relating to Bond-Financed Facilities.
 - 2.3.4. Research contracts under which a Private Person sponsors research in Bond-Financed Facilities.
 - 2.3.5. Any other contracts involving “special legal entitlements” (such as naming rights or exclusive provider arrangements) granted to a Private Person with respect to Bond-Financed Facilities.

Each of the foregoing contracts or arrangements may result in Private Business Use of the Bond-Financed Facilities, and a sale of Bond-Financed Facilities to a Private Person that is not a Tax-Exempt Organization would violate the requirement that a 501(c)(3) Organization or Governmental Unit own all property financed or refinanced by the Issue. Consult with Bond Counsel to undertake any necessary remedial actions, discussed below, in respect of “nonqualified bonds” of the Issue. If a remedial action is not available, consult with Bond Counsel regarding the potential application of the voluntary closing agreement program maintained by the Internal Revenue Service.

3. **Responsible Person, Training and Record Retention**

- 3.1 The person(s) who hold the following title(s) shall be responsible for monitoring the use of Proceeds and the existence of any Private Business Use of Bond-Financed Facilities, as set forth in this Checklist and Instructions: Chief Financial Officer.
- 3.2 The person(s) responsible for monitoring the use of Proceeds and the existence of any Private Business Use of Bond-Financed Facilities shall receive appropriate training regarding the Borrower’s accounting systems (including entries for the expenditure of Proceeds on Bond-Financed Facilities), contract intake system, facilities management and other systems that track the expenditure and use of Proceeds.
 - 3.2.1 This training shall occur when a new individual assumes the responsibilities described in this Checklist and Instructions.
 - 3.2.2 Training shall be available to ensure current knowledge of the Borrower’s existing accounting, contract, facilities management and other systems that involve Qualified 501(c)(3) Bonds and exposure to any pertinent additional systems that are subsequently implemented by the Borrower.
- 3.3 The records required to be kept under this Checklist and Instructions shall be maintained in paper or electronic format until the date three (3) years after the last bond of the applicable issue of Qualified 501(c)(3) Bonds (“Issue”) has been retired; if any portion of such Issue is refunded by a Refunding Issue, such records shall be maintained until the later of the date three (3) years after the last bond of the Issue has been retired or the date three (3) years after the last bond of the Refunding Issue has been retired.

PART II – REMEDIAL ACTION INSTRUCTIONS

I. Deliberate Action. A “deliberate action” (“**Deliberate Action**”) is any action taken after the Issuance Date by the Issuer or Borrower that is within the control of the Issuer or Borrower and that causes:

(A) more than 5% of the Net Proceeds of the Issue to be used for a Private Business Use (the “**Private Business Use Limit**”), and payment of the principal of or interest on more than 5% of the Proceeds of the Issue to be secured by or derived from Private Security or Payments (collectively, the “**Private Business Limits**”);

(B) the amount of Proceeds that are to be used to make or finance loans to any Private Person other than a Tax-Exempt Organization with respect to its activities that do not constitute an unrelated trade or business, determined by applying Section 513(a), in the aggregate, exceed the lesser of 5% of such Proceeds or \$5,000,000 (“**Private Loan Limit**” and collectively with the Private Business Limits, “**Limits**”); or

(C) any portion of the Bond-Financed Facilities to be owned by a Private Person other than a Tax-Exempt Organization (“**Ownership Requirement**”).

For this purpose, Proceeds of the Issue used to pay Issuance Costs are treated as used for a Private Business Use.

An action by the Issuer or Borrower is not a Deliberate Action if the action was (i) the result of an involuntary conversion of all or a portion of the Bond-Financed Facilities or (ii) an action that was taken in response to a regulatory directive made by the federal government (see Regulations §1.141-2(d)(3)(ii)).

II. Timely Reallocation. If a Deliberate Action occurs, the Issuer or Borrower may reallocate the Proceeds that had been allocated to the Bond-Financed Facilities or portion thereof as to which the Deliberate Action occurred to other permitted uses not later than 18 months after the later of (i) the date of expenditure to which the Proceeds were originally allocated or (ii) the placed in service date of the Bond-Financed Facilities or portion thereof to which such Proceeds were originally allocated, but not later than 60 days after the fifth anniversary of the Issuance Date or the retirement of the Issue, if earlier (see Regulations §§1.141-6(a) and 1.148-6(d)(1)(iii)).

III. Remedial Action.

(A) Effect. A “remedial action” cures the use of Proceeds that caused: (i) the Private Business Use Limit to be exceeded, (ii) the Private Loan Limit to be exceeded, or (iii) the Ownership Requirement to be failed. A remedial action will not impact the amount of Private Security or Payments.

(B) Ability to Use. In order to achieve one or more of the effects set forth in III.(A), five conditions must be satisfied (see III.(C)), and one of three alternative remedial actions must be taken (see III.(D)).

(C) Conditions. An Issuer or Borrower may use a “remedial action” only if the following five conditions are satisfied:

(1) On the Issuance Date, the Issuer and Borrower did not reasonably expect either the Private Business Limits or the Private Loan Limit to be exceeded or the

Ownership Requirement to be failed at any time while any portion of the Issue was outstanding.

(2) On the Issuance Date, the weighted average maturity of the Issue did not exceed 120% of the weighted average of the reasonably expected economic lives of the assets comprising the Bond-Financed Facilities.

(3) Unless the Bond-Financed Facilities are being used for an alternative use (as described in III.D(2) below), the new user of all or any portion of the Bond-Financed Facilities must have paid fair market value therefor.

(4) The Issuer or Borrower must treat any “disposition proceeds,” which are all proceeds received from the sale, transfer or other disposition of all or a portion of the Bond-Financed Facilities, as Gross Proceeds for arbitrage (Section 148) purposes.

(5) Prior to the Deliberate Action, the Proceeds were used for a governmental purpose unless the remedial action to be taken is described in III.(D)(1).

(D) Types of Remedial Action.

(1) *Redemption of Non-Qualified Bonds.* The “non-qualified bonds” are the portion of the Issue allocable to the Deliberate Action that causes the Issue to exceed the Private Business Limits or the Private Loan Limit or causes the Issue to violate the Ownership Requirement. In general, within 90 days after the Deliberate Action, either the non-qualified bonds must be redeemed or an escrow that defeases the non-qualified bonds to their earliest redemption date must be established. A defeasance escrow may not be used, however, if the period between the Issuance Date and the earliest redemption date of the non-qualified bonds is more than 10.5 years; in such case a closing agreement with the Internal Revenue Service (“IRS”) may be necessary. If a defeasance escrow is established, the Issuer must notify the IRS within 90 days of its establishment. Notwithstanding the general requirement stated above that all non-qualified bonds must be redeemed or defeased, if the disposition proceeds consist exclusively of cash, it is sufficient that the disposition proceeds be used to redeem or defease a pro rata portion of the non-qualified bonds.

(2) *Alternative Use of Disposition Proceeds.* An Issuer or Borrower satisfies the requirements of this remedial action if:

(a) all disposition proceeds consist exclusively of cash;

(b) the Issuer or Borrower reasonably expects to spend the disposition proceeds within two years after the date of the Deliberate Action;

(c) the disposition proceeds are treated as Proceeds for purposes of the Limits and the Ownership Requirement, and the use of the disposition proceeds does not cause the Issue to exceed these Limits or fail the Ownership Requirement, and neither the Issuer nor the Borrower takes a subsequent Deliberate Action that causes either of the Limits to be exceeded or the Ownership Requirement to be failed;

(d) any unspent disposition proceeds must be used to redeem all or a portion of the Issue; and

(e) if the disposition proceeds are to be used by a 501(c)(3) Organization, from the date of the Deliberate Action, the non-qualified bonds must constitute Qualified 501(c)(3) Bonds and are treated as reissued for that purpose.

(3) *Alternative Use of Bond-Financed Facilities.* An Issuer or Borrower satisfies the requirements of this remedial action if:

(a) the portion of the Bond-Financed Facilities that is transferred or disposed of could have been financed by another type of tax-exempt bond;

(b) the Deliberate Action taken by the Issuer or Borrower did not involve a purchase financed by another issue of tax-exempt bonds; and

(c) any disposition proceeds resulting from the Deliberate Action (other than those related to the provision of services) are used to pay Debt Service on the Issue on the next available payment date or, within 90 days of receipt, are deposited into a Yield-restricted escrow that will be used to pay Debt Service on the next available payment date.

Under these circumstances, the non-qualified bonds are treated as re-issued as of the date of the Deliberate Action, and must remain qualifying tax-exempt bonds throughout their term.

IV. Selected Examples of Deliberate Action.

(A) Lease to a Private Person. A Deliberate Action generally occurs if the Borrower (i) leases space within the Bond-Financed Facilities to a Private Person that is not a Tax-Exempt Organization and that use, when added to any other Private Business Use, exceeds 5% of the facilities financed by the Issue so that more than 5% of the Proceeds of the Issue are considered used for a Private Business Use and (ii) receives rent under that lease that, when added to any other Private Security or Payments, exceeds 5% of the Proceeds of the Issue.

(B) Service or Research Contract. A Deliberate Action generally occurs if (i) (1) the Borrower enters into a Service Contract or a Research Contract with a Private Person that is not a Tax-Exempt Organization, (2) that Service Contract or Research Contract will be performed within the Bond-Financed Facilities, (3) that Service Contract or Research Contract is not a Qualified Service Contract or a Qualified Research Contract, respectively, as set forth in 3.2(H) and 3.2(I) of the Tax Agreement, and (4) that use, when added to any other Private Business Use of the Bond-Financed Facilities, exceeds 5% of the Proceeds of the Issue, and (ii) payments received or deemed received under that Service Contract or Research Contract that, when added to any other Private Security or Payments, exceed 5% of the Proceeds of the Issue.

(C) Sale of Real Estate. A Deliberate Action generally occurs if the Borrower sells all or any portion of the Bond-Financed Facilities to a Private Person that is not a Tax-Exempt Organization.

(D) Loan to a Private Person. A Deliberate Action generally occurs if the Borrower loans more than \$5,000,000 of the Proceeds to a developer to assist the developer in completing a building on a hospital campus of the Borrower to be occupied by physicians with privileges at a Borrower hospital because that loan will constitute a Private Loan.

(End of Exhibit B)

EXHIBIT C
to Tax Certificate and Agreement

ARBITRAGE COMPLIANCE CHECKLIST

The Issuer and the Borrower covenanted in the Tax Agreement to comply with the arbitrage rebate requirements of Section 148 of the Code. This checklist provides guidance for that compliance, and this checklist is intended to satisfy Section 7.2.3.1.1 of the Internal Revenue Manual. This checklist shall also apply to all other outstanding and future issues of Tax-Exempt Obligations issued by the Issuer the Proceeds of which are used by the Borrower. Capitalized terms not defined in this checklist have the meanings given in the Tax Agreement and in Exhibit A to that Agreement.

- 1.01 Note the Yield of the Issue, as shown on the IRS Form 8038.
- 1.02 Review the Tax Agreement to determine the Temporary Periods for the Issue, during which periods various categories of Gross Proceeds may be invested in Higher Yielding Investments.
- 1.03 Do not invest Gross Proceeds in Higher Yielding Investments following the end of the applicable Temporary Period identified in 1.02 unless Yield reduction payments may be made (see Tax Agreement).
- 1.04 Monitor expenditures of Proceeds, including Investment Proceeds, against Issuance Date expectations for satisfaction of three-year or five-year Temporary Period from Yield restriction on investment of Proceeds and to avoid “hedge bond” status.
- 1.05 Ensure that investments acquired with Gross Proceeds satisfy IRS regulatory safe harbors for establishing fair market value (e.g., through the use of bidding procedures), and maintain records to demonstrate satisfaction of such safe harbors.
- 1.06 Consult with bond counsel before engaging in credit enhancement or hedging transactions in respect of the Issue, and before creating separate funds that are reasonably expected to be used to pay Debt Service on the Issue.
- 1.07 Maintain copies of all contracts and certificates relating to credit enhancement and hedging transactions in respect of the Issue.
- 1.08 Before beginning a capital campaign that may result in gifts that are restricted to the Bond-Financed Facilities (or, in the absence of such a campaign, upon the receipt of such restricted gifts), consult Bond Counsel to determine whether Replacement Proceeds may result.
- 1.09 *Even after all Proceeds of the Issue have been spent*, ensure that the Bond Fund meets the requirements of a Bona Fide Debt Service Fund, *i.e.*, one used primarily to achieve a proper matching of revenues with Debt Service that is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on the fund for the immediately preceding Bond Year; or (ii) one-twelfth of the Debt Service on the Issue for the immediately preceding Bond Year. *To the extent that the Bond Fund qualifies as a Bona Fide Debt Service Fund for a given Bond Year, the amounts held in that fund may be invested in Higher Yielding Investments.*

- 1.10 Ensure that amounts invested in any reasonably required debt service reserve fund do not exceed the least of: (i) 10% of the stated principal amount of the Issue (or the Sale Proceeds of the Issue if the Issue has original issue discount or original issue premium that exceeds 2% of the stated principal of the Issue plus, in the case of premium, reasonable underwriter's compensation); (ii) maximum annual Debt Service on the Issue; or (iii) 125% of average annual Debt Service on the Issue.
- 1.11 Satisfaction of rebate requirement -- see Rebate Instructions. Subject to the exceptions described below, investment earnings on Proceeds at a Yield in excess of the Bond Yield (i.e., positive arbitrage) generally must be rebated to the U.S. Treasury, even if a Temporary Period exception from Yield restriction allowed the earning of positive arbitrage.
 - 1.11.1 Ensure that rebate calculations will be timely performed and payment of Rebate Amounts, if any, will be timely made; such payments are generally due 60 days after the fifth anniversary of the Issuance Date, then in succeeding installments every five years; the final rebate payment for the Issue is due 60 days after retirement of the last bond of the Issue. Hire a rebate consultant if necessary.
 - 1.11.2 If the 6-month, 18-month, or 24-month spending exceptions from the rebate requirement (as described in the Rebate Instructions) may apply to the Issue, ensure that the spending of Proceeds is monitored prior to semi-annual spending dates for the applicable exception.
 - 1.11.3 Timely make rebate and Yield reduction payments and file IRS Form 8038-T.
 - 1.11.4 Even after all other Proceeds of the Issue have been spent, ensure compliance with rebate requirements for any debt service reserve fund and any debt service fund that is not exempt from the rebate requirement (see the Rebate Instructions).
- 1.12 The foregoing items in this checklist shall be monitored at least annually as long as there are unspent Gross Proceeds.
- 1.13 Maintain records of investments and expenditures of Proceeds, rebate exception analyses, rebate calculations, Forms 8038-T, and rebate and Yield reduction payments, and any other records relevant to compliance with the arbitrage restrictions.
- 1.14 The person(s) who hold the following title(s) shall be responsible for monitoring compliance with the arbitrage rebate requirements of Section 148 of the Code, as set forth in this checklist: Chief Financial Officer.
- 1.15 The person(s) responsible for monitoring compliance with the arbitrage rebate requirements of Section 148 of the Code shall receive appropriate training regarding the Borrower's accounting systems and their application to the investment and expenditure of Gross Proceeds. This training shall occur when a new individual assumes the responsibilities described in this checklist. Training shall also be available to ensure current knowledge of the Borrower's existing accounting systems and exposure to any pertinent modifications that are subsequently implemented by the Borrower.

- 1.16 The records required to be kept under this checklist shall be maintained in paper or electronic format until the date three (3) years after the last bond of the applicable issue of Qualified 501(c)(3) Bonds (“Issue”) has been retired; if any portion of such Issue is refunded by a Refunding Issue, such records shall be maintained until the later of the date three (3) years after the last bond of the Issue has been retired or the date three (3) years after the last bond of the Refunding Issue has been retired.

(End of Exhibit C)

EXHIBIT D
to Tax Certificate and Agreement

**INSTRUCTIONS FOR COMPLIANCE WITH REBATE
REQUIREMENTS OF SECTION 148(f) OF THE CODE**

The Issuer¹ covenanted in the operative documents (*i.e.*, Ordinance/Resolution/Trust Agreement and Tax Agreement) to comply with the arbitrage rebate requirement of Section 148(f) of the Code. These Instructions provide guidance for that compliance, including the spending exceptions that free the Issue from all or part of the rebate requirements.

PART I. GENERAL

SECTION 1.01. REBATE GENERALLY.

The Rebate Amount with respect to the Issue must be paid (rebated) to the United States to prevent the bonds of the Issue from being arbitrage bonds, the interest on which is subject to federal income tax. In general, the Rebate Amount is the amount by which the actual earnings on Nonpurpose Investments purchased (or deemed to have been purchased) with Gross Proceeds of the Issue exceed the amount of earnings that would have been received if those Nonpurpose Investments had a Yield equal to the Yield on the Issue.² Stated differently, the Rebate Amount for the Issue as of any date is the excess of the Future Value, as of that date, of all Receipts on Nonpurpose Investments over the Future Value, as of that date, of all Payments on Nonpurpose Investments, computed using the Yield on the Issue as the Future Value rate.³

If the Issue is a Fixed Yield Issue, the Yield on the Issue generally is the Yield to maturity, taking into account mandatory redemptions prior to maturity. If the Issue is a Variable Yield Issue, the Yield on the Issue is computed separately for each Yield Period selected by the Issuer.

PART II. EXCEPTIONS TO REBATE

SECTION 2.01. SPENDING EXCEPTIONS.

The rebate requirements with respect to the Issue are deemed to have been satisfied if any one of three spending exceptions (the 6-Month, the 18-Month, or the 2-Year Spending Exception, collectively, the “Spending Exceptions”) is satisfied. The Spending Exceptions are each independent exceptions. The Issue need not meet the requirements of any other exception in order to use any one of the three exceptions. For example, a Construction Issue may qualify for the 6-Month Spending Exception or the 18-Month Spending Exception

¹ For purposes of these Instructions, the term “Issuer” includes the borrower in a conduit financing issue.

² Amounts earned on the Bona Fide Debt Service Fund for the Issue are not taken into account in determining the Rebate Amount: (1) for any Bond Year in which the gross earnings on such Fund for such Year are less than \$100,000; or (2) if the average annual Debt Service on the Issue does not exceed \$2,500,000.

³ The scope of these Instructions does not permit a detailed description of the computation of the Rebate Amount with respect to the Issue. If you need assistance in computing the Rebate Amount on the Issue or want Squire Patton Boggs (US) LLP to do the computations, please feel free to contact the Squire Patton Boggs (US) LLP attorney with whom you normally consult to discuss engaging the Firm to provide such assistance.

even though the Issuer makes one or more elections under the 2-Year Exception with respect to the Issue.

The following rules apply for purposes of all of the Spending Exceptions except as otherwise noted.

Refunding Issues. The only spending exception available for a Refunding Issue⁴ is the 6-Month Spending Exception.

Special Transferred Proceeds Rules. In applying the Spending Exceptions to a Refunding Issue, unspent Proceeds of the Prior Issue that become Transferred Proceeds of the Refunding Issue are ignored. If the Prior Issue satisfies one of the rebate Spending Exceptions, the Proceeds of the Prior Issue that are excepted from rebate under that exception are not subject to rebate either as Proceeds of the Prior Issue or as Transferred Proceeds of the Refunding Issue.

However, if the Prior Issue does not satisfy any of the Spending Exceptions and is not otherwise exempt from rebate, the Transferred Proceeds from the Prior Issue will be subject to rebate, even if the Refunding Issue satisfies the 6-Month Spending Exception. The Rebate Amount will be calculated on the Transferred Proceeds on the basis of the Yield of the Prior Issue up to each transfer date and on the basis of the Yield of the Refunding Issue after each transfer date.

Application of Spending Exceptions to a Multipurpose Issue. If the Issue is a Multipurpose Issue, the Refunding Portion and the New Money Portion are treated for purposes of the rebate Spending Exceptions as separate issues. Thus, the Refunding Portion is eligible to use only the 6-Month Spending Exception. The New Money Portion is eligible to use any of the three Spending Exceptions.

Expenditures for Governmental Purposes of the Issue. Each of the spending exceptions requires that expenditures of Gross Proceeds be for the governmental purposes of the Issue. These purposes include payment of interest (but not principal) on the Issue.

SECTION 2.02. 6-MONTH SPENDING EXCEPTION.

The Issue will be treated as satisfying the rebate requirements if all of the Gross Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue within the 6-month period beginning on the Issuance Date and the Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or a Bona Fide Debt Service Fund if and to the extent that such Fund is subject to rebate (see footnote 3) is timely paid to the United States. If no bond of the Issue is a Private Activity Bond (other than a Qualified 501(c)(3) Bond) or a tax or revenue anticipation bond, the 6-month period is extended for an additional six months if the unexpended Gross Proceeds of the Issue at the end of the 6-month period do not exceed 5% of the Proceeds of the Issue.

For purposes of the 6-Month Spending Exception, Gross Proceeds required to be spent within six months do not include amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue.

⁴ For purposes of these Instructions, references to “Refunding Issue” include the Refunding Portion of a Multipurpose Issue.

SECTION 2.03. 18-MONTH SPENDING EXCEPTION.

The Issue (or the New Money Portion if the Issue is a Multipurpose Issue) is treated as satisfying the rebate requirement if the conditions set forth in (A), (B) and (C) are satisfied.

(A) All of the Gross Proceeds of the Issue (excluding amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue) are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 15% within six months;
- (2) at least 60% within 12 months; and
- (3) 100% within 18 months, subject to the Reasonable Retainage exception described below.

(B) The Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund for the Issue, to the extent such Fund is subject to rebate (see footnote 3), is timely paid to the United States.

(C) The Gross Proceeds of the Issue qualify for the initial 3-year Temporary Period.

If the only unspent Gross Proceeds at the end of the 18th month are Reasonable Retainage, the requirement that 100% of the Gross Proceeds be spent by the end of the 18th month is treated as met if the Reasonable Retainage, and all earnings thereon, are spent for the governmental purposes of the Issue within 30 months of the Issuance Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first two spending periods, the amount of Investment Proceeds that the Issuer reasonably expects as of the Issuance Date to earn on the Sale Proceeds and Investment Proceeds of the Issue during the 18-month period are included in Gross Proceeds of the Issue. The final spend-down requirement includes actual Investment Proceeds for the entire 18 months.

The 18-Month Spending Exception does not apply to the Issue (or the New Money Portion, as applicable) if any portion of the Issue (or New Money Portion) is treated as meeting the rebate requirement under the 2-Year Spending Exception discussed below. This rule prohibits use of the 18-Month Spending Exception for the Nonconstruction Portion of a Bifurcated Issue. The only Spending Exception available for the Nonconstruction Portion of a Bifurcated Issue is the 6-Month Spending Exception.

SECTION 2.04. 2-YEAR SPENDING EXCEPTION FOR CERTAIN CONSTRUCTION ISSUES.

(A) In general. A Construction Issue no bond of which is a Private Activity Bond (other than a Qualified 501(c)(3) Bond or a Bond that finances property to be owned by a Governmental Unit or a 501(c)(3) Organization) is treated as satisfying the rebate requirement if the Available Construction Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 10% within six months;
- (2) at least 45% within one year;
- (3) at least 75% within 18 months; and
- (4) 100% within two years, subject to the Reasonable Retainage exception described below.

Amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund for the Issue are not treated as Gross Proceeds for purposes of the expenditure requirements. However, unless the Issuer has elected otherwise in the Tax Agreement, earnings on amounts in a reasonably required reserve or replacement fund for the Issue are treated as Available Construction Funds during the 2-year period and therefore must be allocated to expenditures for the governmental purposes of the Issue.

If the Issuer elected in the Tax Agreement to exclude from Available Construction Proceeds the Investment Proceeds or earnings on a reasonably required reserve or replacement fund for the Issue during the 2-year spend-down period, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings from the Issuance Date must be timely paid to the United States. If the election is not made, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings after the earlier of the date construction is substantially completed or two years after the Issuance Date must be timely paid to the United States. The Rebate Amount, if any, with respect to earnings on amounts in a Bona Fide Debt Service Fund must be timely paid to the extent such Fund is subject to the rebate requirements (see footnote 3).

The Issue does not fail to satisfy the spending requirement for the fourth spend-down period (*i.e.*, 100% within two years of the Issuance Date) if the only unspent Available Construction Proceeds are amounts for Reasonable Retainage if such amounts (together with all earnings on such amounts) are allocated to expenditures within three years of the Issuance Date.

For purposes of determining whether the spend down requirements have been met as of the end of each of the first three spend-down periods, Available Construction Proceeds include the amount of Investment Proceeds or earnings that the Issuer reasonably expected as of the Issuance Date to earn during the 2-year period unless the Issuer elects, on or before the Issuance Date, to apply these spend down requirements on the basis of actual facts rather than reasonable expectations. For purposes of satisfying the final spend-down requirement, Available Construction Proceeds include actual Investment Proceeds or earnings from the Issuance Date through the end of the 2-year period.

Available Construction Proceeds do not include Gross Proceeds used to pay Issuance Costs financed by the Issue, but do include earnings on such Proceeds. Thus, an expenditure of Gross Proceeds to pay Issuance Costs does not count toward meeting the spend-down requirements, but expenditures of earnings on such Gross Proceeds to pay Issuance Costs do count.

(B) 1½% penalty in lieu of rebate for Construction Issues. If the Issuer elected in the Tax Agreement for a Construction Issue, or for the Construction Portion of a Bifurcated Issue, to pay a 1½% penalty in lieu of the Rebate Amount on Available Construction Proceeds in the event that the Construction Issue fails to satisfy any of the spend-down requirements, the 1½% penalty is calculated separately for each spend-down period, including each semiannual period after the end of the fourth spend-down period until all Available Construction Proceeds have been spent. The penalty is equal to 0.015 times the underexpended Proceeds as of the end of the applicable spend-down period. The fact that no arbitrage is in fact earned during such

spend-down period is not relevant. The Rebate Amount with respect to Gross Proceeds other than Available Construction Proceeds (e.g., amounts in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund, to the extent subject to rebate (see footnote 3)) must be timely paid.

PART III. COMPUTATION AND PAYMENT

SECTION 3.01. COMPUTATION AND PAYMENT OF REBATE AMOUNT.

If none of the Spending Exceptions described above is satisfied (and if the 1½% penalty election for a Construction Issue or the Construction Portion of a Bifurcated Issue has not been made), then within 30 days after each Computation Date, the Issuer shall compute, or cause to be computed, the Rebate Amount as of such Computation Date. The first Computation Date is a date selected by the Issuer, but shall be not later than five years after the Issuance Date. Each subsequent Computation Date shall end five years after the previous Computation Date except that, in a Variable Yield Issue, the Issuer may select annual Yield Periods. The final Computation Date shall be the date the last obligation of the Issue matures or is finally discharged.

Within 60 days after each Computation Date (except the final Computation Date), the Issuer shall pay to the United States not less than 90% of the Rebate Amount, if any, computed as of such Computation Date. Within 60 days after the final Computation Date, the Issuer shall pay to the United States 100% of the Rebate Amount, if any, computed as of the final Computation Date. In computing the Rebate Amount, a computation credit may be taken into account on the last day of each Bond Year to the Computation Date during which there are unspent Gross Proceeds that are subject to the rebate requirement, and on the final maturity date.

If the operative documents pertaining to the Issue establish a Rebate Fund and require the computation of the Rebate Amount at the end of each Bond Year, the Issuer shall calculate, or cause to be calculated, within 30 days after the end of each Bond Year the Rebate Amount, taking into account the computation credit for each Bond Year. Within 50 days after the end of each Bond Year, if the Rebate Amount is positive, the Issuer shall deposit in the Rebate Fund such amount as will cause the amount on deposit therein to equal the Rebate Amount, and may withdraw any amount on deposit in the Rebate Fund in excess of the Rebate Amount. Payments of the Rebate Amount to the Internal Revenue Service on a Computation Date shall be made first from amounts on deposit in the Rebate Fund and second from other amounts specified in the operative documents.

Each payment of the Rebate Amount or portion thereof shall be payable to the Internal Revenue Service and shall be made to the Internal Revenue Service Center, Ogden, UT 84201 by certified mail. Each payment shall be accompanied by Internal Revenue Service Form 8038-T and any other form or forms required to be submitted with such remittance.

SECTION 3.02. BOOKS AND RECORDS.

(A) The Issuer or Trustee, as applicable, shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the Gross Proceeds of the Issue. Such records shall specify the account or fund to which each Nonpurpose Investment (or portion thereof) held by the Issuer or Trustee is to be allocated and shall set forth as to each Nonpurpose Investment (1) its purchase price, (2) identifying information, including par amount, interest rate, and payment dates, (3) the amount received at maturity or its sales price, as the case may be, including accrued interest, (4) the amounts and dates of any payments made with respect thereto, and (5) the dates of acquisition and disposition or maturity.

(B) The Issuer, Trustee, or Rebate Analyst, as applicable, shall retain the records of all calculations and payments of the Rebate Amount until six years after the retirement of the last obligation that is a part of the Issue.

SECTION 3.03. FAIR MARKET VALUE.

(A) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(B) The fair market value of any Nonpurpose Investment shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in an arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in this Section, a Nonpurpose Investment that is not of a type traded on an established securities market (within the meaning of Section 1273 of the Code) is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(C) Obligations purchased directly from the Treasury. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(D) Safe harbor for Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract shall be treated as its fair market value on the purchase date if all the following conditions are met.

(1) The Issuer or broker makes a bona fide solicitation for a specified Guaranteed Investment Contract and receives at least three bona fide bids from reasonably competitive providers (of Guaranteed Investment Contracts) that have no material financial interest in the Issue.

(2) The Issuer purchases the highest-yielding Guaranteed Investment Contract for which a qualifying bid is made (determined net of broker's fees).

(3) The Yield on the Guaranteed Investment Contract (determined net of broker's fees) is not less than the Yield then available from the provider on reasonably comparable Guaranteed Investment Contracts, if any, offered to other persons from a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

(4) The determination of the terms of the Guaranteed Investment Contract takes into account as a significant factor the Issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in a Bona Fide Debt Service Fund and a reasonably required reserve or replacement fund.

(5) The terms of the Guaranteed Investment Contract, including collateral security requirements, are reasonable.

(6) The obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the Guaranteed Investment Contract.

(E) Safe harbor for certificates of deposit. The purchase price of a certificate of deposit shall be treated as its fair market value on the purchase date if both of the following requirements are met.

(1) The certificate of deposit has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal.

(2) The Yield on the certificate of deposit is not less than (a) the Yield on reasonably comparable direct obligations of the United States, or (b) the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Certificates evidencing the foregoing requirements should be obtained before purchasing any Guaranteed Investment Contract or certificate of deposit.

SECTION 3.04. CONSTRUCTIVE SALE/PURCHASE.

(A) Nonpurpose Investments that are held by the Issuer or Trustee as of any Computation Date (or Bond Year if the computations are required to be done annually) shall be treated for purposes of computing the Rebate Amount as of such date as having been sold for their fair market value as of such date. Investment Property that becomes allocated to Gross Proceeds of the Issue on a date after such Investment Property has actually been purchased shall be treated for purposes of the rebate requirements as having been purchased by the Issuer on such date of allocation at its fair market value on such date.

(B) For purposes of constructive or deemed sales or purchases of Investment Property (other than Investment Property in the Escrow Fund or that is otherwise not invested for a Temporary Period or is not part of a reasonably required reserve or replacement fund for the Issue) must be valued at its fair market value on the date of constructive or deemed sale or purchase.

(C) Except as set forth in (B), fixed-rate Investment Property that is (1) issued with not more than 2% of original issue discount or original issue premium, (2) issued with original issue premium that is attributable exclusively to reasonable underwriters' compensation or (3) acquired with not more than 2% of market discount or market premium may be treated as having a fair market value equal to its outstanding stated principal amount plus accrued interest. Fixed-rate Investment Property also may be treated as having a fair market value equal to its present value.

SECTION 3.05. ADMINISTRATIVE COSTS.

(A) Administrative costs shall not be taken into account in determining the payments for or receipts from a Nonpurpose Investment unless such administrative costs are Qualified Administrative Costs. Thus, administrative costs or expenses paid, directly or indirectly, to purchase, carry, sell, or retire Nonpurpose Investments generally do not increase the Payments for, or reduce the Receipts from, Nonpurpose Investments.

(B) Qualified Administrative Costs are taken into account in determining the Payments and Receipts on Nonpurpose Investments and thus increase the Payments for, or decrease the Receipts from, Nonpurpose Investments. In the case of a Guaranteed Investment Contract, a broker's commission or similar fee paid on behalf of either the Issuer or the provider is a Qualified Administrative Cost to the extent that (1) the amount of the fee treated as a Qualified Administrative Cost does not exceed the lesser of (a) \$40,000, or such higher amount as determined and published by the Internal Revenue Service as the "cost-of-living adjustment"

for the calendar year in which the Guaranteed Investment Contract is acquired and (b) 0.2% of the Computational Base or, if more, \$4,000, or such higher amount as determined and published by the Internal Revenue Service as the “cost-of-living adjustment” for the calendar year in which the Guaranteed Investment Contract is acquired and (2) the aggregate amount of broker’s commissions or similar fees with respect to all Guaranteed Investment Contracts and Nonpurpose Investments acquired for a yield-restricted defeasance escrow purchased with Gross Proceeds of the Issue treated as Qualified Administrative Costs does not exceed a cap of \$113,000, or such higher amount as determined and published by the Internal Revenue Service as the “cost-of-living adjustment” for the calendar year in which the Guaranteed Investment Contract is acquired less the portion of such cap, if any, used in prior years with respect to the Issue.

PART IV. COMPLIANCE AND AMENDMENT

SECTION 4.01. COMPLIANCE.

The Issuer, Trustee or Rebate Analyst, as applicable, shall take all necessary steps to comply with the requirements of these Instructions in order to ensure that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103(a) of the Code. However, compliance shall not be required in the event and to the extent stated therein the Issuer and the Trustee receive a Bond Counsel’s Opinion that either (A) compliance with such requirement is not required to maintain the exclusion from gross income for federal income tax purposes of interest on the Issue, or (B) compliance with some other requirement in lieu of such requirement will comply with Section 148(f) of the Code, in which case compliance with the other requirement specified in the Bond Counsel’s Opinion shall constitute compliance with such requirement.

SECTION 4.02. LIABILITY.

If for any reason any requirement of these Instructions is not complied with, the Issuer and the Trustee, if applicable, shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence. The Trustee shall have no duty or responsibility to independently verify any of the Issuer’s, or the Rebate Analyst’s, calculations with respect to the payments of the Rebate Amount due and owing to the United States. Under no circumstances whatsoever shall the Trustee be liable to the Issuer, any bondholder or any other person for any inclusion of the interest on the Issue in gross income for federal income tax purposes, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, so long as the Trustee acts only in accordance with these Instructions and the operative documents pertaining to the Issue.

(End of Exhibit D)

EXHIBIT E
Useful Life Chart

\$7,100,000
Essex County Capital Resource Corporation
North Country School Revenue Bonds
Series 2019

Exhibit E - 120% Useful Life Computation

						Issue Date	3/29/2019
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Description of Item	Useful Life	120% Useful Life (2) x 120%	Placed in Service Date	Elapsed Time from Placed In Service Date to Issue Date	(3) +(5)	Amount Paid or Refinanced with 2019 Bonds (a)	Weighted Cost (6) x (7)
New Money Projects							
Performing Arts Center	40.00	48.00	09/01/19	0.43	48.43	3,442,903	166,730,819
Teaching/Learning Kitchen	30.00	36.00	01/01/19	(0.24)	35.76	191,156	6,836,043
Flushing Meadow Waste Treatment	30.00	36.00	09/01/19	0.43	36.43	268,732	9,789,219
Hike House Renovation	30.00	36.00	03/29/19	0.00	36.00	279,977	10,079,180
Totals						4,182,768	
Refunding of Taxable Loan							
Performing Arts Center	40.00	48.00	09/01/19	0.43	48.43	1,922,757	93,114,137
Teaching/Learning Kitchen	30.00	36.00	01/01/19	(0.24)	35.76	306,430	10,958,432
Flushing Meadow Waste Treatment	30.00	36.00	09/01/19	0.43	36.43	7,370	268,487
Hansen House Renovation	30.00	36.00	06/01/19	0.18	36.18	198,677	7,187,219
Acquisition of Round Lake/Cushman	40.00	48.00	08/01/15	(3.66)	44.34	339,997	15,075,374
						2,775,232	
					Total	6,958,000	
						Weighted Cost	320,038,909
						Divided by 2019 Bond Proceeds	6,958,000
						120% of Useful Life	45.9958

(a) Information from Borrower.

(b) Allocation of Bond Proceeds	Estimated Project Costs	% of Total Project Costs	Bond Proceeds for New Money	Taxable Loan Proceeds	% of Total	Bond Proceeds Used for CR
Performing Arts Center	6,763,395.00	82.31%	3,442,903	2,193,946	78.96%	1,922,757
Teaching/Learning Kitchen	375,515.00	4.57%	191,156	349,649	12.58%	306,430
Flushing Meadow Waste Treatment	527,910.00	6.42%	268,732	8,410	0.30%	7,370
Hansen House Renovations				226,699	8.16%	198,677
Hike House Renovation	550,000.00	6.69%	279,977			
Totals	8,216,820.00	100.00%	4,182,768	2,778,704	100.00%	2,435,235

EXHIBIT F
Bondholder's Certificate

EXHIBIT F

**To Tax Certificate and Agreement
Pertaining to**

\$7,100,000

**Essex County Capital Resource Corporation
North Country School Revenue Bonds, Series 2019A and 2019B**

Dated March 29, 2019

BONDHOLDER'S CERTIFICATE

Boston Private Bank & Trust Company, a Massachusetts state chartered bank (the "Bondholder"), as Bondholder of the obligations identified above (the "Issue"), issued by the Essex County Capital Resource Corporation (the "Issuer") for the benefit of the North Country School (the "Borrower"), based on its knowledge regarding the Issue, certifies as of this date as follows:

(1) Issue Price.

a. On the date of this Bondholder's Certificate (the "Certificate"), the Bondholder is purchasing the Issue for the amount of \$7,100,000.00 (the "Issue Price"), there being no accrued interest or original issue premium or discount. The Bondholder is not acting as an Underwriter with respect to the Issue. The Bondholder has no present intention to sell, reoffer, or otherwise dispose of the Issue (or any portion of the Issue or any interest in the Issue). The Bondholder has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Issue, and the Bondholder has not agreed with the Issuer pursuant to a written agreement to sell the Issue to persons other than the Bondholder or a related party to the Bondholder. The Bondholder paid no other amounts for the Issue.

b. Defined Terms.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Issue to the Public).

All capitalized terms not defined in this Certificate have the meaning set forth in the Tax Certificate and Agreement executed by the Issuer and the Borrower in connection with the issuance of the Issue (“Tax Certificate”) or in Exhibit A to the Tax Certificate.

(2) **Reserve Fund.** The establishment and funding of the Reserve Fund (as provided in the Pledge Agreement securing the Issue) was a vital and necessary factor in the Bondholder’s decision to purchase the Issue.

(3) **Capacity.** The Bondholder is not acting in the capacity of a broker, dealer, municipal securities underwriter or financial advisor in connection with its purchase of the Issue, and the Bondholder is not being compensated for its purchase of the Issue.

(signature page follows)

The signer is an officer of the Bondholder and is duly authorized to execute and deliver this Certificate. The representations set forth in this Certificate are limited to factual matters only. Nothing in this Certificate represents the Bondholder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and the Borrower with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Issue, and by Squire Patton Boggs (US) LLP, as bond counsel, in connection with rendering its opinion that the interest on the Issue is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer and the Borrower from time to time relating to the Issue.

Dated: March 29, 2019

**BOSTON PRIVATE BANK & TRUST
COMPANY**

By: *Patrick Landon*
Authorized Officer

EXHIBIT G
Financial Advisor's Certificate

Exhibit G
to Tax Certificate and Agreement
Pertaining to
\$7,100,000
Essex County Capital Resource Corporation
North Country School Revenue Bonds, Series 2019A and 2019B

Dated March 29, 2019

FINANCIAL ADVISOR'S CERTIFICATE

In connection with the issuance of the obligations identified above ("Issue"), issued by the Essex County Capital Resource Corporation ("Issuer") for the benefit of the North Country School ("Borrower"), George K. Baum & Company ("Financial Advisor") has acted as the Financial Advisor to the Borrower. The Financial Advisor has been asked by the Issuer, Borrower, and Squire Patton Boggs (US) LLP ("Bond Counsel") to calculate the Yield and the weighted average maturity of the Issue in accordance with the instructions of Bond Counsel set forth in this Financial Advisor's Certificate (the "Certificate"). The Financial Advisor certifies as of this date as follows:

(1) **Yield.** The Yield on the Issue is 4.0655%, being the discount rate that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semi-annual compounding, produces an amount equal to the Issue Price of the Issue as stated in paragraph (1) of the Certificate of the Bondholder.

(2) **Weighted Average Maturity.** The weighted average maturity (defined below) of the Issue is 11.9371 years, and the remaining weighted average maturity of the Current Refunded Obligation is 0.8333 years. The weighted average maturity of an issue is equal to the sum of the products of the issue price of each maturity of the issue and the number of years to the maturity date of the respective maturity (taking into account mandatory but not optional redemptions), divided by the issue price of the entire issue.

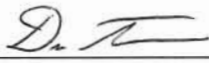
(3) **Debt Service.** The maximum annual Debt Service on the Issue is \$4,328,277.78, and 125% of the average annual Debt Service on the Issue is \$881,009.90.

All capitalized terms not defined in this Certificate have the meaning set forth in the Tax Certificate and Agreement or in Exhibit A to it.

The signer is an officer of the Financial Advisor and duly authorized to execute and deliver this Certificate of the Financial Advisor. The Financial Advisor understands that the certifications contained in this Certificate will be relied on by each of the Issuer and the Borrower in making certain of its representations in the Tax Certificate and Agreement and in completing and filing the Information Return for the Issue, and by Bond Counsel in rendering certain of its legal opinions in connection with the issuance of the Issue. The Financial Advisor is certifying only as to facts in evidence on the date hereof. Nothing herein represents the interpretation of any laws, including the Code or the regulations promulgated thereunder, or the application of any laws to the facts contained in this Certificate. The Financial Advisor is neither an accountant nor an actuary, and the Financial Advisor is not engaged in the practice of law; accordingly, while the Financial Advisor believes its calculations set forth in this Certificate to be correct, the Financial Advisor does not warrant their validity for purposes of Sections 103 and 141 through 150 of the Code.

Dated: March 29, 2019

GEORGE K. BAUM & COMPANY

By: 

Title: SENIOR VICE PRESIDENT

EXHIBIT H
[Reserved]

M E M O R A N D U M

TO: Fritz Sabbow, Chief Financial Officer
North Country School

FROM: Squire Patton Boggs (US) LLP

DATE: December 14, 2018

RE: Tax-Exempt Bonds, Series 2019

Our due diligence as bond counsel for the proposed captioned bond issue (the “Bonds”), to be issued by the Essex County Capital Resource Corporation (the “Issuer”) for the benefit of the North Country School (the “Borrower”), will require that we review certain information and documents in connection with our tax analysis regarding the Bonds and the facilities to be financed by the Bonds (the “Project”).

Attached as Appendix A is a request for a number of documents and items of information that we will need to review.

Attached as Appendix B is the proposed form of certain legal opinions required to be included in the opinion letter of Borrower’s counsel concerning the 501(c)(3) status of the Borrower. We will need to receive those opinions from Borrower’s counsel as of the date of issuance of the Bonds. We will rely on those opinions in rendering our Bond Counsel opinion regarding the tax status of interest on the Bonds.

Attached as Appendix C is a separate set of questions the Borrower will need to answer if Borrower’s counsel does not give its opinion that the Borrower’s use of the Project will not constitute “use in any unrelated trade or business within the meaning of Section 513 of the Code.” If Borrower’s counsel will provide such an opinion, please disregard the questions in Appendix C.

The information and documentation that you provide in response to the attached Appendices may result in additional inquiries. Please contact us if you have any questions in preparing your responses or assembling documents.

Squire Patton Boggs (US) LLP

Documents and Other Items Required for Tax Due Diligence

Please provide us with copies of the following:

1. Certificate of Incorporation and Bylaws, including all amendments thereto, of the Borrower (and any other Section 501(c)(3) organization that uses or will be using any portion of the Project). See materials provided
2. Dated “declaration of official intent” of the Borrower evidencing the Borrower’s intention to be reimbursed with proceeds of the Bonds for any capital expenditures paid before the issuance date of the Bonds. See materials provided

(Other than certain “preliminary expenditures” (e.g., architectural and engineering fees, etc.), Bond proceeds may be used to reimburse capital expenditures made by the Borrower up to (but no more than) 60 days prior to the date of the declaration of official intent.)

3. For each capital expenditure to be reimbursed, financed or refinanced with Bond proceeds: (A) a description of the item; (B) the amount paid for such item; (C) the date on which the Borrower paid (or expects to pay) for the item; (D) the date on which such item was (or is expected to be) placed in service; (E) the reasonably expected useful life of such item on the date it was (or is expected to be) placed in service; (F) if applicable, the amount of proceeds *other than* proceeds of the Bonds that will be used (or that were used) to pay for the item (e.g., equity, taxable bond proceeds, etc.); and (G) an indication of whether such item is a Reimbursement Item, a Refinancing Item or a New Money Item.¹ See write-up provided on each capital expenditure

(In the case of capital expenditures paid by the Borrower prior to issuance of the Bonds, Bond proceeds may be used to reimburse expenditures made up to (but not more than) 18 months prior to the later of the date on which the original expenditure is made or the date on which the item is placed in service (but in no event may the reimbursement be more than 3 years after the date of the original expenditure).)

4. What amount, if any, of Bond proceeds is expected to be used for costs of issuance (please itemize each cost of issuance separately), up-front letter of credit or liquidity facility fees, bond insurance premium, Issuer fees, capitalized interest on the Bonds, a reserve fund, hedge/swap termination payments, and any similar items? See Attachment
5. Who will own the Project? NCS. Will any portion of the Project be located in a facility that the Borrower does not own but instead leases from a third party? No – all projects

¹ As used herein, "Reimbursement Item" means an item that Borrower paid for prior to the issuance date of Bonds from funds other than borrowed funds, "Refinancing Item" means an item that Borrower paid for prior to the issuance date of Bonds from borrowed funds, and "New Money Item" means an item that Borrower will pay for after the issuance date of the Bonds with Bond proceeds.

are on NCS owned land and are wholly owned by NCS. If so, is there any expectation that the lease will be terminated prior to its stated expiration date?

6. If a limited liability company in which the Borrower holds all the membership interests (the "LLC") has or will have fee title to some or all of the Project, please answer the following question: has the Borrower or the LLC made, or does either party plan to make, any election (including filing a federal income tax return or information report) to classify the LLC for federal income tax purposes as something other than an entity that is disregarded for such purposes? Not applicable.
7. Copies of all contracts or other arrangements with private entities or persons (other than employees) for the provision of services in any portion of the Project (e.g., physicians, professors, consultants, foodservice, laundry, security, etc.). There have been no contracts for services with any outside parties at this time for any of our capital projects upon completion. We do intend to contract for services for the fire protection, insect control, HVAC monitoring and low heat monitoring in each facility as needed. None of that has yet been contracted.
8. Copies of all leases with private entities or persons (including other Section 501(c)(3) organizations) involving any portion of the Project and a statement of the amount of space leased or to be leased to each such person and a description of the uses that such person will make of that space. Not applicable. We have no intention to lease any portion of any of our capital projects.
9. An explanation of any activities conducted by the Borrower (or any other Section 501(c)(3) organization) in any portion of the Project that constitute unrelated trades or businesses within the meaning of Section 513(a) of the Internal Revenue Code. None of these capital projects will involve activities that would be considered unrelated trade or business activity (outside of mission appropriate). Any unrelated trade or business activity currently performed at the institution is only performed at our Round Lake Campus, and generated less than 1% of the institution's revenue for FY19. Specifically, the Round Lake Cottage was leased to certain private persons for private use for two days for a total of \$5,500 in FY18.
10. Material letters of intent, documents and amendments relating to current or pending joint venture arrangements involving the Borrower. We have no letters of intent or pending joint venture arrangements between the institution and a third party. We do have lease agreements with two landowners for the use of their property as part of our program offerings; neither of those agreements pertains to any of the capital projects planned.
11. Copies of all research contracts that the Borrower has entered into or expects to enter into to provide research services to any private entities or persons or to any state or federal government in or with any portion of the Project. Not applicable.
12. Copies of all contracts or other arrangements with private entities pertaining to special legal entitlements, including but not limited to (i) naming rights or (ii) exclusive provider arrangements under which brand-specific goods or services are sold to the exclusion of

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other similar goods or services in the Project. (An example of an exclusive provider arrangement is a contract under which the Borrower agrees to purchase only one brand of soft drink for resale in the Project and receives a fee, commission or discount from the provider in exchange for such exclusive right.) No such agreements/not applicable.

13. Copies of all memoranda of understanding, agreements and other documents regarding any interest rate swap, hedge or similar notional principal contract entered into or expected to be entered into in connection with the issuance of the Bonds or, in the case of a refunding, entered into in connection with the refunded bonds. Not applicable.
14. Copy of Internal Revenue Service (“IRS”) Form 1023 – Application for Recognition of Exemption – of the Borrower (and any other Section 501(c)(3) organization that uses or will be using any portion of the Project), *including all attachments and supplements thereto*. We are unable to locate any form 1023 copy from our archives but have requested it from the IRS. We were provided IRS exemption 501(c)(3) status in 1960 and attached are documents confirming that status.
15. Copies of IRS determination letter(s) regarding the Borrower’s status as a Section 501(c)(3) organization. Copies of IRS 501(c)(3) determination letter(s) of any other Section 501(c)(3) organization that is expected to use any portion of the Project. See documents provided for #14.
16. Copies of IRS Forms 990 and 990-T, if any (*including all attachments thereto*), for the Borrower (and any other Section 501(c)(3) organization that uses or will be using any portion of the Project) for the last three years. Our fiscal year ends on 8/31, therefore we are just now completing our Audit for the year ending 8/31/18. That audit and FY 18 990 filing will be provided after the January board of trustees meeting on January 26, 2019. Included in the attached documentation are the 990 filings for the three years prior.
17. Copies of all other Borrower correspondence with the IRS during the last three years (other than routine correspondence involving wage withholding, FICA and FUTA) including (but not limited to) correspondence relating to any audits that the IRS has conducted or announced that it will conduct *and all correspondence relating to any Internal Revenue Service private letter ruling or technical advice memorandum involving the Borrower* (or any other Section 501(c)(3) organization that uses or will be using any portion of the Project). There has been none.
18. Copies of audited financial statements of the Borrower (and any other Section 501(c)(3) organization that uses or will be using any portion of the Project) for the last three years. Our fiscal year ends on 8/31, therefore we are just now completing our Audit for the year ending 8/31/18. That audit and FY 18 990 filing will be provided after the January board of trustees meeting on January 26th. Provided are the audits filings for the three years prior.
19. Documentation relating to any current fund-raising efforts of the Borrower, including sample solicitation materials relating to the Project and a current schedule of all amounts pledged and received for the Project. In the attachments are included several publication

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materials used while fundraising for the Performing Arts Center, the Teaching / Learning Kitchen and other signature spaces. Our Development Department and the Development Committee of the board of trustees continuously are working on all aspects of fundraising, not only for these projects but also for our endowment and operating fund targets. Board of Trustee minutes provides some information as to their efforts.

20. A statement regarding whether any portion of the Project constitutes apartments or other residential rental units. Only one project would be considered a residence, which is the Hanson House renovation (for a residence for the Executive Director). No other capital project involves any housing or residential units.
21. A statement regarding whether the Borrower will make a payment of sale, investment, transferred, or replacement proceeds of the Bonds to a related party. No such proceeds of the Bonds will be paid to any related party. Will the Borrower spend less than 95% of the net proceeds of the Bonds on capital expenditures? If so, please provide a list of outstanding tax-exempt qualified Section 501(c)(3) nonhospital bonds (including the outstanding principal amounts thereof), if any, issued for the benefit of the Borrower. Please provide copies of the IRS Forms 8038 filed for any such bond issues. All proceeds will be used to pay for capital expenditures and the cost of issuance as provided earlier. Will the Borrower spend at least 85% of the net sale proceeds of the Bonds within three years after the issuance date of the Bonds? Please provide a schedule that details when the Borrower expects to make payments for the costs of the Project. Yes. See the attached schedule of planned completion of each project.

In addition, if any Bond proceeds will be used to refund or retire any pre-existing bank loan, line of credit, taxable note or bond, tax-exempt note or bond, or any similar obligation (referred to below as "Prior Debt"), please answer the following questions and please provide the documents requested:

22. Please indicate the amount of Bond proceeds to be used to refund the Prior Debt. As of 12/31/18, the residual debt balance is \$339,997.52 and is held with NBT Bank, NA.
23. If any of the Bonds are being used to advance refund Prior Debt, please provide the amount of Bond proceeds to be invested in the defeasance escrow to refund the Prior Debt. Not Applicable.
24. Please provide a description of the refunded Prior Debt (if any) to be refinanced with proceeds of the Bonds, including original principal amount, current outstanding principal amount, and date of issuance. The prior debt was initiated in 8/2015 for \$1,575,000 for the purchase of the Round Lake /Cushman property. It was financed by a secured line of credit. This loan was refinanced through another line of credit. See answer to number 26. The current outstanding principal attributable to the 2015 loan is \$339,997.52 as of 12/31/18.
25. If a portion of the Prior Debt consists of tax-exempt bonds, please provide a copy of the Borrower's tax and arbitrage certificates (including all attachments and exhibits thereto)

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executed, and IRS Forms 8038 filed, with respect to the issuance of the refunded bonds (if any). Not Applicable.

26. Please provide us with copies of all bond and/or loan documents (e.g., trust indenture, loan agreement, notes) related to, and a copy of the final official statement used in connection with, the issuance of the refunded Prior Debt (if there are any such documents). Attached is a copy of a new line of credit as of 9/25/18 that was created to help cash flow our capital projects until the debt financing commenced with NBT Bank. It is a line for up to \$3,000,000 available to advance for such projects. The prior debt was also with NBT Bank and the remaining principal due was transferred over into this new line. Attached are copies of the last statement from the old debt and a statement for the new line and the funds advanced from that prior debt.
27. Has the Borrower spent all of the proceeds of any refunded bonds on capital expenditures for valid 501(c)(3) purposes? Yes Did the Borrower spend at least 85% of the spendable proceeds of the refunded bonds on such expenditures for such purposes within three years of the issuance date of the refunded bonds? This institution has not participated in bond financing before this action.
28. If a reserve fund secures the refunded bonds, will that reserve fund remain in place to secure the Bonds or will it instead be used, along with proceeds of the Bonds, to defease the refunded bonds? Not Applicable.
29. If there are tax-exempt bonds issued on or prior to August 5, 1997 in the chain of refundings of Prior Debt, please provide a list of outstanding tax-exempt qualified Section 501(c)(3) nonhospital bonds (including the outstanding principal amounts thereof), if any, issued for the benefit of the Borrower. Please provide copies of the IRS Forms 8038 filed for any such bond issues. Not Applicable.

If you have any questions regarding the preparation of responses to this Memorandum, please contact Johnny Hutchinson (713-437-5603) (johnny.hutchinson@squirepb.com).

**Borrower’s Counsel Opinions
Concerning Federal Tax Matters**

To: _____

* * *

Based on the foregoing, we are of the opinion that under existing law:

* * *

_____. Borrower is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“Code”), is exempt from federal income tax under Section 501(a) of the Code (except for any unrelated business income tax imposed pursuant to Section 511 of the Code) and is not a “private foundation” as defined in Section 509(a) of the Code.

_____. The Service has determined, in the Determination Letter, that Borrower is an organization exempt from tax under Section 501(a) of the Code by reason of being described in Section 501(c)(3) of the Code. To our knowledge, after due inquiry, the purposes, character, activities and methods of operation of Borrower have not changed materially since its organization and are not materially different from the purposes, character, activities and methods of operation represented to the Service in Form 1023, Application for Recognition of Exemption, filed in order to obtain the Determination Letter and on the date the Determination Letter became effective. To our knowledge, after due inquiry, Borrower has not received any indication or notice, written or verbal, from representatives of the Service that its exemption under Section 501(c)(3) of the Code has been modified, limited, revoked or superseded, or that the Service is considering modifying, limiting, revoking or superseding such exemption, and the exemption of Borrower under Section 501(c)(3) of the Code is still in full force and effect as of the date hereof.

_____. To our knowledge, after due inquiry, Borrower is in full compliance with the material terms, conditions and limitations of the Determination Letter and has not taken or failed to take any action (including the failure to file any report or documents with the Service) that would jeopardize its status as an organization described in Section 501(c)(3) of the Code and not a “private foundation” as defined in Section 509(a) of the Code.

_____. To our knowledge, after due inquiry, Borrower has always operated in substantial conformity with the purposes set forth in its Certificate of Incorporation (the “Certificate”), as amended from time to time, and its Bylaws, as amended from time to time.

_____. The consummation of the transactions described in the documents executed and to be executed by the Borrower in connection with the transactions described herein, including but not limited to Borrower Documents, will not impair the status of Borrower as an organization described in Section 501(c)(3) of the Code and exempt from tax under Section 501(a) of the Code and the acquisition and operation of the Project by Borrower will be in furtherance of the

exempt purposes of Borrower set forth in the Certificate, the purposes set forth in Section 501(c)(3) of the Code and the terms and conditions of the Determination Letter.

__. Use of the Project in the manner described in the documents executed and to be executed by the Borrower in connection with the transactions described herein, including but not limited to the Borrower Documents, will not constitute use in any unrelated trade or business within the meaning of Section 513 of the Code.

__. To our knowledge, after due inquiry, there is no action, suit, proceeding, inquiry or investigation at law or in equity pending or overtly threatened against or affecting the Borrower and there is no basis for any action, suit, proceeding, inquiry or investigation at law or in equity in which an unfavorable decision, ruling or finding would adversely affect the financial conditions or operations of the Borrower, or the transactions described in the Borrower Documents or which would adversely affect the validity or enforceability of the Borrower Documents or the status of the Borrower as an organization described in Section 501(c)(3) of the Code.

* * *

**QUALIFIED 501(C)(3) BOND
DUE DILIGENCE UBIT QUESTIONNAIRE**

In order for the Bonds to be treated as tax-exempt “qualified 501(c)(3) bonds,” Section 145(a) of the Internal Revenue Code of 1986, as amended (the “Code”), requires, among many other conditions, that:

1. The Borrower qualifies as an organization described in Section 501(c)(3) of the Code;
2. No more than a de minimis amount of the proceeds of the Bonds, and thus of the Project, be used by either:
 - (A) the Borrower or any other 501(c)(3) Organization¹ in furtherance of any “unrelated trade or business” activity within the meaning of Section 513 of the Code,² or
 - (B) any private person (*i.e.*, any nongovernmental person and non-501(c)(3) Organization) for a “private business use” within the meaning of Section 141(b)(6) of the Code.

For purposes of rendering our opinion as Bond Counsel that interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code (“Tax-Exempt Bond Opinion”), we will be relying on an opinion of Borrower’s counsel to the effect that the Borrower is a 501(c)(3) Organization. See condition 1 above.³ The attached questionnaire (the “UBIT Questionnaire”) is required to be completed in order to elicit certain facts and other information regarding the expected uses, if any, of the Project (or portions thereof) by the Borrower (or any other 501(c)(3) Organization that is expected to use the Project) with specific regard to whether use of the Project (or any portion thereof) will constitute use by the Borrower (or any other 501(c)(3) Organization) in furtherance of any “unrelated trade or business” activity within the meaning of Section 513 of the Code.

We will use the information that you provide in response to this UBIT Questionnaire to prepare a tax certificate to be executed by the Borrower (“Borrower’s Tax Certificate”) on the Bond issuance date. The Borrower’s Tax Certificate will consist of a series of representations and statements of fact or expectation. As Bond Counsel, we will rely on the Borrower’s Tax Certificate and the “boxed”

¹ As used herein, the term “501(c)(3) Organization” means any organization (including, but not limited to, the Borrower) described in Section 501(c)(3) of the Code the income of which is exempt from federal income taxation (other than the tax imposed by Section 511 of the Code on unrelated business taxable income) pursuant to Section 501(a) of the Code.

² An “unrelated trade or business” is “any trade or business the conduct of which is not substantially related (aside from the need of such organization for income or funds or the use it makes of the profits derived) to the exercise or performance by such organization” of its exempt Code Section 501(c) purposes or functions. Treas. Reg. § 1.513-1(a). For this purpose, a “[t]rade or business is ‘related’ to exempt purposes, in the relevant sense, only where the conduct of the business activities has a causal relationship to the achievement of exempt purposes (other than through the production of income); and it is ‘substantially related,’ for purposes of Section 513, only if the causal relationship is a substantial one. . . .” Treas. Reg. § 1.513-1(d)(2).

³ Please note that we have previously requested from you certain information regarding the Borrower and potential private business use of the Project (see condition 2(B) above). We intend the scope of this UBIT Questionnaire to be limited to eliciting the facts and information necessary for us to conclude as a legal matter that condition 2(A) above is satisfied.

representations contained in this UBIT Questionnaire in italics, together with the opinion of your counsel, in rendering our Tax-Exempt Bond Opinion with respect to the Bonds.

Please answer each question to the fullest extent possible; when in doubt as to whether some particular fact is called for, please include it so that we may discuss it. The format of the UBIT Questionnaire is an attempt at a “one size fits all” inquiry. While we have struck certain portions that we believe are not pertinent to the analysis of the Bonds, you may find several questions that you believe are inapplicable to the Borrower, based on the nature of its exempt purpose, the type of facilities comprising the Project, and/or the nature of the financing. In such cases, please simply make a note on the questionnaire to the effect that the question is not applicable (*e.g.*, “N/A”).

In completing the UBIT Questionnaire, the Borrower should review and consider its Certificate of Incorporation or other organizational documents; its bylaws or code of regulations; its corporate compliance policies and compliance therewith; contracts and similar arrangements involving the provision by the Borrower of any assets (whether personal or real, tangible or intangible) or services to or for the benefit of any person (including any natural person or public or private entity), whether or not related to the Borrower, whether organized and operated for nonprofit, governmental, or for-profit purposes (or involving the provision by any person of any assets or services to or for the benefit of the Borrower); its financial statements (including internally prepared and independently audited statements); its tax, financial, and informational returns or other reports filed with any foreign, U.S. federal, state or local governments, political subdivisions thereof, or agencies or instrumentalities of any of the foregoing (including but not limited to IRS Forms 990, Forms 990-T, and Forms 1023, and returns or other reports filed with foreign, U.S., state or local governments, subdivisions thereof, or agencies or instrumentalities of any of the foregoing) including any amendments thereto or substitutions therefor; and such other documents and information as you reasonably believe relevant to the questions herein and your responses thereto, with particular attention to the organization, operation, use and management of the Project.

Please review the UBIT Questionnaire carefully with the assistance of your counsel and accountants. In light of the technical nature of the subject matter of the UBIT Questionnaire, please discuss these questions, as well as the implications and prerequisites of making the representations described herein, with legal counsel and accountants experienced in matters relating to your status as a 501(c)(3) Organization and the treatment of the expected uses of the Project as activities directly in furtherance of the Borrower’s qualified 501(c)(3) tax-exempt purposes and not as activities resulting in any use of the Project (or any portion thereof) in any activity that constitutes an “unrelated trade or business” within the meaning of Section 513 of the Code.

If more space is needed for your responses, please attach additional pages (please refer to the page you are supplementing). If you have any questions, please contact Johnny Hutchinson (713-437-5603) (johnny.hutchinson@sqirepb.com).

**QUALIFIED 501(C)(3) BOND
DUE DILIGENCE UBIT QUESTIONNAIRE**

**Supporting 501(c)(3) Borrower's Representations as to Information Regarding Use of Bond
Proceeds and the Project by 501(c)(3) Organizations to Conduct “Unrelated Trade or
Business” Activities**

The Borrower hereby makes the following representations and covenants regarding the use of the Project:

The Borrower does not expect to, and shall not, perform any act or enter into any agreement or use (or permit the use) on a regular basis of any portion of the Project to serve persons other than the Borrower, its employees, staff, students, patients and visitors, or in any trade or business unrelated to the exempt purposes (within the meaning of section 513(a) of the Code), if such use could adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds. Prior to the Borrower performing any act, entering into any agreement, or using or permitting the Project or any portion thereof to be used in any manner that may constitute an unrelated trade or business use of the Project within the meaning of the Code, the Borrower covenants and agrees to obtain the prior written opinion of Bond Counsel satisfactory to the Issuer to the effect that such contemplated act, agreement or use will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or cause the Borrower to lose its status as a 501(c)(3) Organization.

The Borrower has not and shall not use or permit to be used any portion of the Project financed with proceeds of the Bonds in such a manner that more than three percent (3%) of the “Net Proceeds” of the Bonds (defined as the par amount of the Bonds, plus original issue premium, less original issue discount, less amounts deposited in a reasonably required reserve or replacement fund, plus investment proceeds) is to be used, directly or indirectly, in any activity or trade or business that constitutes an unrelated trade or business, as defined in Section 513(a) of the Code, or that constitutes any other form of private business use, within the meaning of Section 141 of the Code and the Treasury regulations thereunder.

Supporting Questions:

1. Is the Borrower or any other 501(c)(3) organization using or does the Borrower expect to ***use (or expect any other 501(c)(3) Organization to use) any portion of the Project*** or the proceeds from the sale of the Bonds in such a manner that any of the “Net Proceeds” of the Bonds (defined as the par amount of the Bonds, plus original issue premium, less original issue discount, less amounts deposited in a reasonably required reserve or replacement fund, plus investment proceeds) will be used, directly or indirectly, ***in any activity that constitutes an unrelated trade or business of the Borrower or any other***

501(c)(3) Organization as defined in Section 513(a) of the Code?⁴ If the answer is “Yes,” please explain. No, except as indicated in question 5 below.

2. Is the Borrower using or does the Borrower expect to *use (or permit the use of) any portion of the Project*:

(A) to *provide services and/or goods to persons other than* the Borrower, its employees, staff (including but not limited to medical staff, faculty, managers and administrators), students, patients and visitors; or

(B) in any trade *or business unrelated to the tax-exempt Section 501(c)(3) purposes* of the Borrower (or of any other 501(c)(3) Organization) within the meaning of Section 513(a) of the Code? If the answer is “Yes,” please explain. No, except as indicated in question 5 below.

3. Is an portion of the Project *leased to*:

(A) any person, corporation, limited liability company, or other business enterprise or organization;

(B) any governmental unit; or

(C) any 501(c)(3) Organization (other than the Borrower),

including, but not limited to, any equipment to be financed or refinanced with proceeds of the Bonds? No.

If the answer is “Yes,” please:

(A) provide a copy of each lease or similar use agreement under which such Project facilities are (or are expected to be) so occupied or used;

(B) identify each lessee or other user, including a statement regarding whether such lessee or user (i) is a private business, private individual, governmental unit, or 501(c)(3) Organization, and (ii) has any relationship with the Borrower (including, but not limited to a relationship as an employee, director, trustee, consultant, executive, or supplier, seller or user of goods or services); and

(C) list or otherwise identify and describe the portion(s) of the Project facilities subject to each lease or other use agreement, including for each lease or agreement:

(i) a statement of the amount of square feet of space leased or used compared to the total amount of leaseable space in the building (please identify each

⁴ Please note that you should respond affirmatively if the Borrower (or any other 501(c)(3) Organization) engages in any activity that constitutes an “unrelated trade or business” within the meaning of Section 513 of the Code *even if the activity does not generate “unrelated business taxable income”* within the meaning of Section 512(a)(1) of the Code.

building separately) where such leased or used space is located, and, if applicable, the type of equipment leased or used; and

- (ii) a statement of the fair market value of space leased or used compared to the total fair market value of leaseable space in the building (please identify each building separately) in which such leased or used space is located, and, if applicable, the fair market value of the equipment.

(Please attach copies of leases or other similar use agreements and additional sheets containing responses to this question.)

4. Does the Borrower have any arrangements with any other person, corporation, limited liability company, other business enterprise or organization or other 501(c)(3) Organization pursuant to which such person is granted the *exclusive right to sell products or perform services* on the Borrower's property; *i.e.*, so-called "*exclusive provider arrangements*" (including, but not limited to, the Project) in exchange for consideration (*e.g.*, an agreement with Coca-Cola or Pepsi to be exclusive provider of non-alcoholic beverages in exchange for a fee or commission)? If the answer is "Yes," please explain. No.
5. Please briefly describe any activities that the Borrower has engaged in over the past three (3) years (whether or not conducted in the Project) that constitute an "unrelated trade or business" within the meaning of Section 513 of the Code. Occurring only as of FY18 did we receive unrelated business activity that is currently only performed at our Round Lake Campus, and is considered to be less than 1% of the institution's revenue for FY19.
6. Please indicate in the space below whether any portion of the Project is being or will be used for *the provision of food and/or beverages* (*e.g.*, cafeteria, food court, shops, stands, kiosks or other facilities for the sale of food and/or coffee, soft drinks and other beverages). If the answer is "Yes," please provide a *separate explanation for each type of facility* describing:
 - (A) the type of goods or services to be provided;
 - (B) the planned location of the facilities for the provision of such goods and services (including whether such facilities will be located in the Project) and the relative amount of space to be occupied by such facilities compared to the total amount of useable space of the building (please identify each building separately) in which such facilities are to be located;
 - (C) whether the Borrower or a third party will operate (or manage) the facilities where such goods or services will be provided (and, if a third party, the identity of the third party); and
 - (D) whether it is expected that such goods and services will be purchased primarily by: (1) the Borrower's employees, medical staff, faculty, patients, students or visitors ("Borrower-Related Consumers"); or (2) persons who are not Borrower-Related Consumers (and, if primarily by persons who are not Borrower-Related

Consumers, the relative amount of gross revenue expected to be generated by such persons compared to the expected total revenues from all such purchases).

7. Please indicate in the space below whether any portion of the Project is being or will be used for a **bookstore**. If the answer is “Yes,” please provide an explanation describing: No.

- (A) the type of goods or services to be provided;
- (B) the planned location of the bookstore (including whether such facilities will be located in the Project) and the relative amount of space to be occupied by the bookstore compared to the total amount of useable space of the building in which the bookstore is to be located;
- (C) whether the Borrower or a third party will operate (or manage) the bookstore (and, if a third party, the identity of the third party); and
- (D) whether it is expected that such goods and services will be purchased primarily by: (1) Borrower-Related Consumers; or (2) persons who are not Borrower-Related Consumers (and, if primarily by persons who are not Borrower-Related Consumers, the relative amount of gross revenue expected to be generated by such persons compared to the expected total revenues from all such purchases).

8. Please indicate in the spaces provided below whether any portion of the Project is being or will be used for a **pharmacy**. If the answer is “Yes,” please provide an explanation describing: No.

- (A) the type of goods or services to be provided;
- (B) the planned location of the pharmacy (including whether such facilities will be located in the Project) and the relative amount of space to be occupied by the pharmacy compared to the total amount of useable space of the building in which the pharmacy is to be located;
- (C) whether the Borrower or a third party will operate (or manage) the pharmacy (and, if a third party, the identity of the third party); and
- (D) whether it is expected that such goods and services will be purchased primarily by: (1) Borrower-Related Consumers; or (2) persons who are not Borrower-Related Consumers (and, if primarily by persons who are not Borrower-Related Consumers, the relative amount of gross revenue expected to be generated by such persons compared to the expected total revenues from all such purchases).

9. Please indicate in the space below whether any portion of the Project is being or will be used for the provision of **other “retail” goods and services** (e.g., flowers, candy, balloons, books, newspapers, magazines, gifts, hair and/or other personal grooming services, banking services, internet and/or computer access, or other similar goods or services of the type ordinarily sold to retail consumers). If the answer is “Yes,” please provide a separate explanation for each type of facility describing: No.

- (A) the type of goods or services to be provided;
 - (B) the planned location of the facilities for the provision of such goods and services (including whether such facilities will be located in the Project) and the relative amount of space to be occupied by such facilities compared to the total amount of useable space of the building in which such facilities are to be located;
 - (C) whether the Borrower or a third party will operate (or manage) the facilities where such goods or services will be provided (and, if a third party, the identity of the third party); and
 - (D) whether it is expected that such goods and services will be purchased primarily by: (1) Borrower-Related Consumers; or (2) persons who are not Borrower-Related Consumers (and, if primarily by persons who are not Borrower-Related Consumers, the relative amount of gross revenue expected to be generated from such persons compared to the expected total revenues from all such purchases).
10. Please indicate in the spaces provided below whether any portion of the Project is being or will be used to perform *scientific, medical or other similar research*, including, but not limited to, testing of drugs, medical devices and equipment or medical procedures. If the answer is “Yes,” please provide an explanation describing: No.
- (A) the nature of the research to be performed (please describe each type separately);
 - (B) the funding sources, including a description of the type (*e.g.*, grants, fees, retained assets), and the identity of the provider of the funding (including an indication of whether the sponsor is a private for-profit entity, 501(c)(3) Organization or governmental entity) for each type of research to be performed;
 - (C) whether the research to be performed is expected to result in intellectual or other property (whether to be patented or not); and, if so, a statement of who will own the IP or other property, and any related patent; a description of any licensing arrangements expected to be entered into; and a description of any royalty or other similar fee arrangements involving use of research results by any person; and
 - (D) whether a written report or article is expected to result from each type of research; and, if so, an explanation of whether such report or article is expected to be published; and, if so, in what manner and by whom.
11. Please indicate in the spaces provided below whether any portion of the Project is being or will be used as a *professional office building or space*. If the answer is “Yes”: No.
- (A) Is use of such space limited to physicians on the Borrower’s medical staff?
 - (B) Is use of such space made available on a “first come, first served” basis?
 - (C) Is use of such space made available at a rental rate that is not less than fair market value for such use of such space? If “No,” how is the rental rate determined?

12. Please indicate in the space below whether any portion of the Project is being or will be used as **housing (including, but not limited to, residential rental property, dormitories, hotels, motels, guest rooms)**. If the answer is “Yes”: Only one aspect of the projects is related to housing space – the Hansen House renovations being done to provide better housing for the institution’s new Executive Director.
- (A) Is use of such housing limited to physicians on the Borrower’s medical staff and the Borrower’s patients, faculty, students, employees, staff and visitors (as applicable)? If the answer is “No,” please explain who else will use such housing facilities. Housing is for the Executive Director and his/her family.
 - (B) Is use of such housing made available on a “first come, first served” basis? If the answer is “No,” please explain the basis on which such housing will be made available. It is only being made available to the new Executive Director.
 - (C) Is use of such housing made available at fair market value rental rates? If the answer is “No,” how is the rental rate determined? There is no rent associated with the use of this space.
 - (D) Will the Borrower or a third party operate (or manage) such housing? If the Borrower is not operating or does not expect to operate (or manage) such housing itself, who is expected to operate (or manage) such housing? Please provide a copy of any operating or management agreement regarding such housing. The institution will manage the housing.
 - (E) Is such housing being used or will it be used primarily by: (1) the Borrower’s employees, medical staff, faculty, patients, students or visitors (as applicable) (“Borrower-Related Tenants”); or (2) persons who are not Borrower-Related Tenants, and, if primarily by persons who are not Borrower-Related Tenants, the relative amount of gross revenue expected to be generated from use by such persons compared to the expected total revenues from all users of such housing)? It is only available to the Executive Director who is an employee of the institution.
13. Please indicate whether any portion of the Project will be used for **parking**. If the answer is “Yes”: No.
- (A) Is use of such parking facilities limited to physicians on the Borrower’s medical staff and the Borrower’s patients, faculty, students, employees, staff and visitors (as applicable)? If the answer is “No,” please explain who else will use such parking facilities.
 - (B) Is use of such parking facilities made available on a “first come, first served” basis to all? If the answer is “No,” please explain the basis on which such space will be made available.
 - (C) Will any fees be charged for use of such parking facilities (regardless of by whom such facilities are used)? If the answer is “Yes,” how are such fees established?

- (D) Please provide a schedule of the expected parking fees (*e.g.*, monthly, daily, hourly rates) and an explanation of any conditions imposed on use of the parking facilities by such fee payers.
 - (E) Is the Borrower or a third party operating or expect to operate (or manage) such parking facilities? If the answer is no, who is expected to operate (or manage) such facilities? Please provide a copy of any operating or management agreement regarding such facilities.
 - (F) Are such parking facilities being used or will they be used primarily by: (1) the Borrower's employees, medical staff, faculty, patients, students and visitors (as applicable) ("Borrower-Related Parkers"); or (2) persons who are not Borrower-Related Parkers (and, if primarily by persons who are not Borrower-Related Parkers, the relative amount of gross revenue expected to be generated from use by such persons compared to the expected total revenues from all parkers)?
 - (G) Are such parking facilities of a size that is commensurate with the character and size of the Borrower's employees, staff or visitors, or the Project? If the answer is "No," please explain.
14. Has the Borrower been audited by the IRS during the last five (5) years? If so, please identify the fiscal years covered by the IRS audit(s) and describe the result(s) of the audit(s). No.

Mog, Cynthia C.

From: Fritz Sabbow <fsabbow@northcountryschool.org>
Sent: Friday, March 1, 2019 3:29 PM
To: Mog, Cynthia C.
Cc: Schulman, Michael R.; Massey, Stephanie; Hutchinson, John W.
Subject: [EXT] Re: RE: Tax Diligence - Follow Up

Thanks Cynthia - see my responses below in red to your blue comments. Hope this all helps.

Fritz Sabbow - CFO
North Country School / Camp Treetops
4382 Cascade Road
Lake Placid, NY 12946
(518) 523-9329

On Fri, Mar 1, 2019 at 2:47 PM Mog, Cynthia C. <cynthia.mog@squirepb.com> wrote:

Fritz,

Thanks for the additional information. We realize that you are still working on locating your Certificate of Incorporation (I believe Locke Lord will be helping provide what is needed here) and gathering information about naming rights (there has been no change from my comment below at this time). However, in the interest of time, we have a question and comment that we wanted to pass along.

(1) As you noted in response to question #3 below, and in the attached charts, the total costs of the project is approximately \$8.3 million, while the school has approximately \$3.3 million in restricted donations related to the project. This leaves a shortfall of approximately \$5 million. However, the bond issue totals \$7.1 million. (Remember the Facility 1 for capital projects is \$5.1mm, Facility 2 is for replacing the Round Lake debt for \$1.8mm, together making up the \$7.1mm. The Facility 1 would meet our needs for the cash yet to be outlaid on the projects net of what we've received in restricted donations, which have been applied to past expenses to date. Payments toward the Round lake debt will also be made from both unrestricted and restricted to Round Lake contributions as well as contributions from operations.) Have the restricted donations been collected yet, or will they be collected over a certain time period? (The \$3.3mm has been collected. Much of it has gone to pay for the projects in process). If the restricted donations have not yet been collected in full, will they be used to pay off the bonds as soon as permissible once they have been collected? (We have pledges and intentions to be paid in the future which will provide funds for these projects. Those monies will be used to cash flow the continuing costs of the projects).

(2) As an FYI, since the reimbursement allocation was approved at the 7/27/2018 board meeting, the cut off for reimbursement should be 5/29/2018. Thus, the 5/25/2018 building permit expense in the amount of \$16,846 and the 5/14,2018 excavation expense in the amount of \$1,400 do not fall within the 60 day period,

and we do not believe they constitute "preliminary expenditures." (Are you sure a building permit would not be considered a preliminary expenditure? Would any other prior expenditures fall into this definition?) However, we can apply those expenses against the \$100,000 de minimis exception provided for in the Treasury Regulations. (Is the de minimis exception available to also pay the excess costs of the bond over the 2% limitation (I'm sorry but I can't find from my notes this percentage so this is coming from the top of my head)?)

Please let me know if you have any questions.

Cindy

From: Fritz Sabbow <fsabbow@northcountryschool.org>
Sent: Friday, February 22, 2019 3:43 PM
To: Hutchinson, John W. <johnny.hutchinson@squirepb.com>; Mog, Cynthia C. <cynthia.mog@squirepb.com>
Cc: Schulman, Michael R. <mschulman@lockelord.com>; Massey, Stephanie <Stephanie.Massey@lockelord.com>
Subject: [EXT] RE: Tax Diligence - Follow Up

Cindy and Johnny - here are some responses to your questions below. I've marked in red my responses and am attaching documentation to help with my responses. Please let me know if you have follow up questions.

Fritz Sabbow - CFO

North Country School / Camp Treetops

4382 Cascade Road

Lake Placid, NY 12946

(518) 523-9329

On Thu, Feb 21, 2019 at 3:00 PM Hutchinson, John W. <johnny.hutchinson@squirepb.com> wrote:

Hi Fritz – circling back on the tax diligence for NCS. Cindy had sent the follow-up diligence request below, but I think she sent it maybe the very day that the deal went on hold for the first time, so I'm reforwarding it. The bottom line is that the initial responses to the tax questionnaire looked very good, but we had a few follow-up questions, described below. Please let Cindy or me know if you have any questions as you complete the response. Thanks again.

Johnny Hutchinson

Partner

Squire Patton Boggs (US) LLP

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M +1 850 572 0869

johnny.hutchinson@squirepb.com | squirepattonboggs.com

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From: Mog, Cynthia C. <cynthia.mog@squirepb.com>

Sent: Friday, January 11, 2019 10:07 AM

To: fsabbow@northcountryschool.org

Cc: Hutchinson, John W. <johnny.hutchinson@squirepb.com>; mschulman@lockelord.com; stephanie.massey@lockelord.com

Subject: Tax Diligence - Follow Up

Fritz,

Thank you for all of the information you already sent to us via the dropbox. We have reviewed the materials, and as often happens, we have a few follow up questions/requests.

(1) When you locate your Certificate of Incorporation, please forward a copy to us. I believe that Mike and Stephanie are pursuing documents from the Secretary of State for us.

(2) If you are planning on using any bond proceeds to reimburse expenditures that have been or will be made prior to the issuance date of the bonds:

a. Please provide us with a description of each expenditure to be reimbursed, the amount of such expenditure, and the date on which such expenditure was or will be made. I've provided an excel worksheet that reflects those costs we've paid to date toward each project that will be supported by the Facility 1 bond proceeds. Considering the reimbursement resolution and considering we have 60 days prior to its adoption to request reimbursement of costs, I've highlighted in yellow those expenses that would fall into reimbursement. As of this worksheet, I calculated \$1,984,803.88 in bills paid. We are making electronic copies of each invoice as support for whenever that is needed. I have not updated a cash flow analysis for future payments, however, most of these projects will be expensed during this calendar year.

We are also needing to pay down the existing debt which is part of Facility 2 for the bond. Total to pay down would be approx \$1,241,000.

b. The declaration of official intent in the dropbox is missing the signature page and a date. Please forward those pages to us. I believe our attorneys will coordinate getting this document certified at closing.

(3) What is the overall budget for the project? Has the school received restricted gifts related to the project? If so, in what amount? (As a reminder, any restricted gifts related to the project, when added to the tax-exempt bond proceeds to be used for the project, should not exceed the overall budget for the project.) I'm attaching four PDF documents which start with "Project". These PDFs show the budget for each project cited in Facility 1 that has begun, including the current level of spending and the amount received in restricted giving toward the project. These four projects total \$8,340,583, however the current restricted contributions on these is \$3,302,064. This nets to \$5,038,519 which would be high to our reimbursement resolution and is still below Facility 1 of the Bond. I also have pledges in support of these projects which would further reduce the net when cash is received.

The payoff for Facility 2 would have a component that would apply to the contributions received for the Performing Arts Center. \$900,000 in a donation was temporarily applied to pay down the loan referenced in Facility 2. That \$900,000 would then need to be accounted for (included in the \$3,302,064) as part of the restricted gifts for Facility 1.

(4) In response to question 9 of the due diligence questionnaire, you reported that the school recognized \$5,500 of unrelated business taxable income (UBTI) from the Round Lake Cottage in its fiscal year ending 8/31/2018.

a. Was Round Lake Cottage rented out in any prior years? Round Lake was not rented out prior this FY18. If so, please provide us similar information for the two prior fiscal years. Also, do you have an expectation as to how frequently it will be rented out over the next few fiscal years? Our intent is to restrict unrelated business income for activity at Round Lake. If there will be such activity, it will be at a similar income earning / taxable level, I believe.

b. Has the school been filing Form 990-Ts to report this UBTI? If so, please forward to us a copy of the school's three most recent Forms 990-T? Our 990-T is attached for your reference. We had not filed a 990-T prior to this fiscal year.

(5) Have any naming rights been granted with respect to any portion of the project? If so, please let us know to whom they have been granted, and what area of the project they will cover. I will be following up with you on this as our development staff continue to fund raise and offer naming rights. Currently, we have granted naming rights to the Performing Arts building ("Walter Breeman Performing Arts Center") to the Breeman family who are major contributors and backers to the project. They were the original promoters and backers to this building initiative.

Please let Johnny or me know if you have any questions. Have a nice weekend.

Cindy

Cynthia C. Mog

Senior Attorney

Squire Patton Boggs (US) LLP

4900 Key Tower

127 Public Square

Cleveland, Ohio 44114

T +1 216 479 8357

O +1 216 479 8500

cynthia.mog@squirepb.com | squirepattonboggs.com

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47 Offices in 20 Countries

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Information Return for Tax-Exempt Private Activity Bond Issues

(Under Internal Revenue Code section 149(e))

▶ See separate instructions.

OMB No. 1545-0720

▶ Go to www.irs.gov/Form8038 for instructions and the latest information.

Part I Reporting Authority		Check if Amended Return <input type="checkbox"/>
1 Issuer's name Essex County Capital Resource Corporation		2 Issuer's employer identification number 27-4698218
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 7566 Court Street	Room/suite	5 Report number (For IRS Use Only) <input type="checkbox"/> 1 <input type="checkbox"/> <input type="checkbox"/>
6 City, town, or post office, state, and ZIP code Elizabethtown, NY 12932		7 Date of issue (MM/DD/YYYY) 03/29/2019
8 Name of issue Essex County Capital Resource Corporation North Country School Revenue Bonds, Series 2019A and 2019B		9 CUSIP number None.
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Jody Olcott, Co-Director		10b Telephone number of officer or other employee shown on 10a 518-873-9114

Part II Type of Issue (Enter the issue price.)	Issue Price
11 Exempt facility bond:	
a Airport (sections 142(a)(1) and 142(c))	11a
b Docks and wharves (sections 142(a)(2) and 142(c))	11b
c Water furnishing facilities (sections 142(a)(4) and 142(e))	11c
d Sewage facilities (section 142(a)(5))	11d
e Solid waste disposal facilities (section 142(a)(6))	11e
f Qualified residential rental projects (sections 142(a)(7) and 142(d)) (see instructions)	11f
Meeting 20–50 test (section 142(d)(1)(A)) <input type="checkbox"/>	
Meeting 40–60 test (section 142(d)(1)(B)) <input type="checkbox"/>	
Meeting 25–60 test (NYC only) (section 142(d)(6)) <input type="checkbox"/>	
Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No	
g Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f))	11g
h Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions)	11h
Facility type _____	
1986 Act section _____	
i Qualified enterprise zone facility bonds (section 1394) (see instructions)	11i
j Qualified empowerment zone facility bonds (section 1394(f)) (see instructions)	11j
k Other (see instructions)	11k
l Qualified public educational facility bonds (sections 142(a)(13) and 142(k))	11l
m Mass commuting facilities (sections 142(a)(3) and 142(c))	11m
n Qualified highway or surface freight transfer facilities (sections 142(a)(15) and 142(m))	11n
o Other (see instructions)	
p Local district heating or cooling facilities (sections 142(a)(9) and 142(g))	11p
q Other (see instructions)	11q
12a Qualified mortgage bond (section 143(a))	12a
b Other (see instructions)	12b
13 Qualified veterans' mortgage bond (section 143(b)) (see instructions) ▶	13
Check the box if you elect to rebate arbitrage profits to the United States <input type="checkbox"/>	
14 Qualified small issue bond (section 144(a)) (see instructions) ▶	14
Check the box for \$10 million small issue exemption <input type="checkbox"/>	
15 Qualified student loan bond (section 144(b))	15
16 Qualified redevelopment bond (section 144(c))	16
17 Qualified hospital bond (section 145(c)) (attach schedule—see instructions)	17
18 Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule—see instructions)	18 \$7,100,000.00
Check box if 95% or more of net proceeds will be used only for capital expenditures ▶ <input checked="" type="checkbox"/>	
19 Nongovernmental output property bond (treated as private activity bond) (section 141(d))	19
20a Other (see instructions)	
b Reissuance (see instructions)	20b
c Other. Describe (see instructions) ▶	20c

Part III Description of Bonds (Complete for the entire issue for which this form is being filed.)

Table with 5 columns: (a) Final maturity date, (b) Issue price, (c) Stated redemption price at maturity, (d) Weighted average maturity, (e) Yield. Row 21: 3/29/2034, \$ 7,100,000.00, \$ 7,100,000.00, 11.9371 years, 4.0655 %

Part IV Uses of Proceeds of Issue (including underwriters' discount)

Table with 2 columns: Description, Amount. Rows 22-30 detailing proceeds for accrued interest, issue price, bond issuance costs, credit enhancement, reserve, refund, and nonrefunding proceeds.

Part V Description of Property Financed

Caution: Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.

Table with 2 columns: Type of Property Financed, Amount. Rows 31a-e: Land, Buildings and structures, Equipment with recovery period of more than 5 years, Equipment with recovery period of 5 years or less, Other.

32 North American Industry Classification System (NAICS) of the projects financed.

Table with 6 columns: NAICS Code, Amount of nonrefunding proceeds, NAICS Code, Amount of nonrefunding proceeds. Row a: 611110, \$ 4,324,768.07

Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)

Table with 2 columns: Description, Amount. Rows 33-36: Remaining weighted average maturity of tax-exempt bonds, remaining weighted average maturity of taxable bonds, last date on which refunded tax-exempt bonds will be called, date(s) the refunded bonds were issued.

Part VII Miscellaneous

- 37 Name of governmental unit(s) approving issue... Issuer approved the issue on February 4, 2019, after a public hearing held on December 21, 2018, after reasonable public notice thereof.
38 Check the box if you have designated any issue under section 265(b)(3)(B)(i)(III)
39 Check the box if you have elected to pay a penalty in lieu of arbitrage rebate
40a Check the box if you have identified a hedge and enter the following information
41 Check the box if the hedge is superintegrated
42a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC)
43 Check the box if the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated...
44 Check the box if the issuer has established written procedures to monitor the requirements of section 148
45a Enter the amount of reimbursement if some portion of the proceeds was used to reimburse expenditures
46 Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds, and provide name and EIN of the primary private user

Name

EIN

Part VIII Volume Caps		Amount
47	Amount of state volume cap allocated to the issuer. Attach copy of state certification	47
48	Amount of issue subject to the unified state volume cap	48 \$0.00
49	Amount of issue not subject to the unified state volume cap or other volume limitations:	49
a	Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental enhancements of hydroelectric generating facilities, or high-speed intercity rail facilities	49a
b	Under a carryforward election. Attach a copy of Form 8328 to this return	49b
c	Under transitional rules of the Tax Reform Act of 1986. Enter Act section ▶	49c
d	Under the exception for current refunding (section 146(f) and section 1313(a) of the Tax Reform Act of 1986)	49d
50a	Amount of issue of qualified veterans' mortgage bonds	50a
b	Enter the state limit on qualified veterans' mortgage bonds	50b
51a	Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification	51a
b	Name of empowerment zone ▶	
52	Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification	52

Signature and Consent Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative: *Darren Darrah* Date: *3/29/19* Type or print name and title: **Darren Darrah, Chairman**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	Preparer's PTIN
	John W. Hutchinson				P01065270
	Firm's name ▶ Squire Patton Boggs (US) LLP	Firm's EIN ▶		34-0648199	
	Firm's address ▶ 600 Travis St., 6200 Chase Tower, Houston, TX 77002	Phone no.		713-437-5603	

Form 8038
Essex County Capital Resource Corporation
E.I.N. 27-4698218

Line 18 attachment

501(c)(3) organization benefiting from qualified non-hospital bonds:

<u>Name</u>	<u>E.I.N.</u>	<u>Amount of Issue Benefiting this Organization</u>
North Country School, Inc.	14-1430542	\$7,100,000.00

**OMNIBUS CERTIFICATE
OF NORTH COUNTRY SCHOOL**

We, the undersigned, David, Hochschartner, Executive Director of **NORTH COUNTRY SCHOOL** (the "Institution"), as an Authorized Officer thereof, and Sheila Tavares, Assistant Secretary of the Institution, **DO HEREBY CERTIFY** that:

1. Attached hereto as Exhibit A are true and correct copies of the resolutions, duly adopted by the Board of Trustees of the Institution at meetings duly called and held on July 27, 2018 and January 25, 2019 relating to the issuance by the Essex County Capital Resource Corporation (the "Issuer") of (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date hereof (collectively, the "Bonds") authorizing and approving the transaction contemplated by, and authorizing the execution and delivery of the Institution Documents and the Line of Credit from Boston Private Bank & Trust Company (each as defined below) by the Institution, relating to the Bonds. Said resolutions have not been in any way amended, annulled, rescinded, or revoked and the same are still in full force and effect on the date hereof.

2. Attached to the Record of Proceedings relating to the Bonds (the "Record of Proceedings"), are true and complete copies of the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement"), by and among the Issuer, the Institution and Boston Private Bank & Trust Company, as bondholder (the "Bondholder"), the Negative Pledge Agreement, dated as of March 29, 2019 from the Institution to the Issuer (the "Negative Pledge Agreement"), the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019 from the Institution to the Issuer (the "Mortgage"), the Continuing Covenants Agreement, dated as of March 29, 2019 between the Institution and the Bondholder (the "Continuing Covenants Agreement"), the Security Agreement (All Assets), dated as of March 29, 2019 between the Institution and the Bondholder (the "Security Agreement (All Assets)"), the Pledge Agreement (Account), dated as of March 29, 2019 between the Institution and the Bondholder (the "Pledge Agreement (Account)"), the Pledged Asset Agreement for Collateral Loans, dated as of March 29, 2019 among the Institution, the Bondholder and TD Ameritrade Inc. (the "Pledged Asset Agreement"), the Hazardous Material Indemnity Agreement, dated as of March 29, 2019 by and among the Institution, the Bondholder and the Issuer (the "Hazardous Material Indemnity Agreement"), the Assignment of Construction Contracts, dated as of March 29, 2019 between the Institution and the Bondholder (the "Assignment of Construction Contracts"), the Loan Agreement, dated as of March 29, 2019 between the Institution and the Bondholder (the "Loan Agreement"), the Demand Revolving Line of Credit Note, dated as of March 29, 2019 from the Institution to the Bondholder (the "Note") and the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019, from the Institution to the Bondholder (the "RLOC Mortgage"). The Bond Purchase and Loan Agreement, the Negative Pledge Agreement, the Mortgage, the Continuing Covenants Agreement, the Security Agreement (All Assets), the Pledge Agreement (Account), the Pledged Asset Agreement, the Hazardous Material Indemnity Agreement, the Assignment of Construction Contracts, the Loan Agreement, the Note and the RLOC Mortgage are herein referred to collectively as the "Institution Documents."

3. The Institution Documents have been duly executed and delivered by an Authorized Officer of the Institution and have not been further amended, supplemented, modified or terminated and, assuming due execution by the Issuer and the Bondholder, are in full force and effect on the date hereof.

4. The documents attached hereto as Exhibits B and C are, respectively, a copy of the

Charter of the Institution and the By-Laws of the Institution, including all amendments thereto, and are true and correct copies of said documents as they are on file at the Institution, and they are in full force and effect on the date hereof. The Charter and By-Laws have not been amended, modified or supplemented from January 25, 2019 to the date hereof.

5. The document attached hereto as Exhibit D is a copy of the Good Standing Certificate of the Institution issued by the Department of Education of the State of New York.

6. The duly qualified and acting members of the Board of Trustees of the Institution from January 25, 2019 to the date hereof are as follows:

<u>Name</u>	<u>Title</u>
Barkley Stuart	Chair
Jenny Ewing Allen	Vice Chair
Brian Eng	Treasurer
Sandra Gray Nowicki	Secretary
Lisa Beck	Member
Barry Breeman	Member
Peter R. Brest	Member
Peter Curran	Member
J. Matthew Davidson	Member
Guillaume de Ramel	Member
Laura Harris	Member
Nick Hewitt	Member
Carla von Trapp Hunter	Member
Caroline Kenney	Member
Roger S. Loud	Member
Greg Marchildon	Member
Jennifer Maslow	Member
Robert Parker	Member
Pat Kramon Pincus	Member
Pamela Rosenthal	Member
Matt Salinger	Member
Hume Steyer	Member
Mara Frankel Wallace	Member
Manny Weintraub	Member
Jun Zhang	Member

7. The principal executive officers of the Institution from January 25, 2019 to the date hereof are as follows:

<u>Name</u>	<u>Title</u>
David Hochschartner	Executive Director
Barkley Stuart	Board Chair

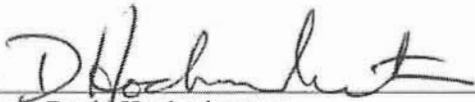
8. The Assistant Secretary is hereby certifying as to the authenticity of the signature of the Executive Director of the Institution.

All the terms used herein and not otherwise defined have the meanings given to them in the Bond Purchase and Loan Agreement.

2019.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of March

NORTH COUNTRY SCHOOL

By: 
Name: David Hochschartner
Title: Executive Director

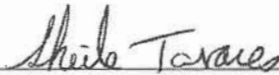
By: 
Name: Sheila Tavares
Title: Assistant Secretary

Exhibit A

Resolutions of the Board of Trustees
of North Country School

VOTE OF
THE BOARD OF TRUSTEES OF NORTH COUNTRY SCHOOL
(the "School")

Dated: January 25, 2019

VOTED: That the School is hereby authorized to borrow up to \$7,100,000 through the issuance of a combination of tax-exempt and taxable bonds (the "Bonds"), in one or more series and bearing interest at fixed or variable rates, by the Essex County Capital Resource Corporation (the "Issuer") for the purposes of: (i) refinancing certain conventional debt of the School; (ii) financing the construction of a performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House, renovation of Round Lake Cottage, and acquisition and installation of various machinery, equipment, and furnishings; and (iii) financing costs of issuance related thereto, which Bonds will be purchased initially by Boston Private Bank or an affiliate thereof (together with any affiliates, the "Lender").

VOTED: That the School is also hereby authorized to obtain a variable rate working capital line of credit from the Lender in an amount not to exceed \$1,000,000 (the "Revolving Loan").

VOTED: That the Bonds and the Revolving Loan may be secured by a combination of: (i) a pledge of the School's business assets; (ii) a springing mortgage and negative pledge on all or a portion of the real property of the School (including Camp Treetops); and (iii) in the case of the taxable Bonds and the Revolving Loan, a pledge of the School's investment accounts held with the Lender;

VOTED: That any one or more of the persons from time to time holding the offices of the Executive Director or the Board Chair, acting singly (each, an "Authorized Officer"), be and each is hereby authorized without further approval of the Board to act on behalf of the School in coordinating and facilitating the borrowings and to take any and all such actions (including the approval of decisions relating to securing the borrowings and approving the final terms of the Bonds and the Revolving Loan) as such Authorized Officer may deem advisable, convenient, necessary or desirable in order to effectuate such borrowings;

VOTED: That any one or more of the Authorized Officers be, and each of them singly is, hereby authorized, in the name and on behalf of the School, to execute any and all documents needed to complete the transactions authorized hereby, including, without limitation: (i) a bond purchase and loan agreement among the School, the Issuer and the Lender relating to the Bonds, (ii) a loan agreement relating to the Revolving Loan, (iii) a promissory note relating to

the Revolving Loan, (iv) security agreements relating to a first positioned perfected security interest in the School's business assets and in certain of the School's investment accounts, (v) one or more springing mortgage and security agreements and/or negative pledge agreements relating to the springing mortgage and/or negative pledge of the School's real property, (vi) a tax certificate and associated certificates and documents and (vii) any and all other agreements or instruments guaranteeing, securing or otherwise relating to the documents described in clauses (i) through (vi) (collectively, the "Principal Legal Documents"). Each Authorized Officer is hereby authorized to deliver the Principal Legal Documents, as well as all other certificates and documents necessary or convenient in order to effectuate the borrowings, each in such form as approved by the signing Authorized Officer, and the execution thereof by the Authorized Officer shall be conclusive as to such determination;

VOTED: That all actions previously taken by any officer or employee of the School on behalf of the School with respect to the Bonds and the Revolving Loan are hereby ratified and approved.

This resolution shall take effect immediately.

NORTH COUNTRY SCHOOL

BOARD AUTHORIZATION

WHEREAS: North Country School (the "School") wishes to finance or refinance costs of one or more of the following (collectively, the "Projects"), consisting generally of (i) acquisition of real estate; (ii) construction of new buildings and/or facilities, (iii) renovations of, and improvements or additions to, existing buildings and/or facilities; and (iv) acquisition of furniture, furnishings and equipment for one or more of the foregoing buildings and/or facilities, all for use by the School in furtherance of its charitable purposes; and

WHEREAS: The School intends to finance or refinance costs of all or a portion of one or more of the Projects, costs of issuance and other related costs and fees (including, if necessary or desirable, capitalized interest to the extent permitted by federal and state law), through the issuance of a collateralized line of credit, tax-exempt financing or more traditional financing in an amount not to exceed \$9,000,000 which encompasses all estimates of capital projects less cash contributions and pledges on those projects (the "Financing"); and

WHEREAS: In order to temporarily finance costs of all or a portion of one or more of the Projects in anticipation of such borrowing, the School wishes to make expenditures for any of the Projects from funds of the School available therefor;

NOW, THEREFORE, BE IT RESOLVED:

- (1) That this Board hereby authorizes each of the Executive Director or Chief Financial Officer, acting singly, to borrow money temporarily from funds of the School available therefor in order to finance costs of the Projects, including costs of issuance and related costs and fees.
- (2) That, to the extent necessary, this resolution shall constitute a declaration of intent under Treas. Reg. §1.150-2 (the "Reimbursement Regulations") promulgated under the Internal Revenue Code of 1986, as amended, for the Projects, and each of the Executive Director or Chief Financial Officer, acting singly, is hereby authorized to take any additional action with respect to this declaration of official intent to assure compliance with the Reimbursement Regulations.

Exhibit B

Charter of North Country School



THE STATE EDUCATION DEPARTMENT/THE UNIVERSITY OF THE STATE OF NEW YORK

SECRETARY, BOARD OF REGENTS
Rm. 110, State Education Building
Albany, New York 12234
Tel. (518)474-5889
E-mail:RegentsOffice@nysed.gov

Nicolas P. Hopeck
Delaney Corporate Services
99 Washington Avenue, Suite 805A
Albany, New York 12210

Dear Mr. Hopeck:

This is to certify that the attached copies of the charter actions, and if applicable, any amendments for the **North Country School** are true copies of the original and of the whole thereof, and is not dissolved, the latest action being document number 7,903.

IN WITNESS WHEREOF, I hereunto set my hand and affix the seal of The University and of the State Education Department, at the city of Albany, New York, this the 12th day of April, 2019.

Anthony Lofruento
Anthony Lofruento

The
University of the
Education



State of New York
Department

Absolute Charter of
North Country School

This instrument witnesseth That the Board of Regents for and on behalf of the Education Department of the State of New York has granted this absolute charter to North Country School, Lake Placid, Essex County, -- which was incorporated by the Board of Regents under a provisional charter granted on June 29, 1956, -- and has continued the said corporation with all its powers, privileges and duties.



Edgar M. Cooper
Chancellor

Granted June 23, 1961, by the Board of Regents
for and on behalf of the State Education Department,
executed under the seal of said Department
and recorded therein, Number 7903

James E. Allen, Jr.
President of the University
and Chancellor of Education

The

University of the
Governor



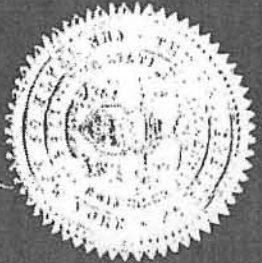
State of New York
Department

Provisional Charter of North Country School

*This instrument witnesses That the Board of Regents for and on behalf of the Education
Department of the State of New York has granted this provisional charter,*

valid for a term of five years.

1. Incorporating Walter E. Clark, Hamilton S. Corwin, Helen C. Glasfell, John E. Booth, and David D. Stemann and their associates and successors as an educational corporation, under the corporate name of North Country School, to be located at Lake Placid, county of Essex and State of New York.
2. The purposes for which such corporation is formed are:
 - a. To establish, conduct, operate and maintain an elementary school; and
 - b. During the summer months, to maintain, employ and use the property and facilities of the corporation in the maintenance and operation of summer camps for children.
3. Helen C. Glasfell, John E. Booth, David Stemann, Charles Hamilton and E. Rita Parker shall constitute the first board of trustees. The board shall have power to adopt bylaws, including financial provisions fixing the method of election and the term of office of trustees, and shall have power also, by vote of three-fourths of all the members of the board of trustees, to change the number of trustees to be not more than 25 nor less than 5.
4. The corporation hereby created shall be a nonprofit corporation organized and operated exclusively for educational purposes, and no part of the earnings or net income shall inure to the benefit of any individual, and no officer, member or employee of the corporation shall receive or be entitled to receive 75% and pecuniary profit from the operations thereof, except reasonable compensation for services.
5. The principal office of the corporation is to be located at Lake Placid, county of Essex and State of New York.
6. The Commissioner of Education is designated as the representative of the corporation, upon whom process in any action or proceeding brought against it may be served.
7. This provisional charter will be made absolute if within five years the corporation shall acquire resources and equipment available for the use and support and suitable for the chartered purposes in the judgment of the Regents of the University and be maintaining an institution of educational weight and character satisfactory to them. Prior to the expiration of said five year period an application for the renewal of this provisional charter or for an absolute charter will be entertained by the Regents, but in the event that such an application is not made, then at the expiration of said term of five years this provisional charter shall terminate and become void and shall be surrendered to the Regents.



Paul H. Myers
Commissioner

Printed June 29, 1955 by the Board of Regents

in and on behalf of the State Education Department,
executed under the seal of said Department
and recorded therein, January 6, 1956

Paul H. Myers
Commissioner of the Department
of Education

By-Laws of North Country School

**BY-LAWS
OF
NORTH COUNTRY SCHOOL**

ARTICLE I.

OFFICES

The principal offices of the Corporation shall be in Lake Placid, New York. The Corporation may also have such offices at such other places as the Board of Trustees may from time to time designate or the purposes of the Corporation may require.

ARTICLE II.

TRUSTEES

Section 1. NUMBER AND TERMS - The affairs of the Corporation shall be managed by a Board of Trustees. The number of trustees shall be twenty-five, which is the maximum allowable. The trustees shall be divided into three classes as equal in number as possible, and only one class shall be elected annually. The Board of Trustees, by vote of three-fourths of the members of the Board may at any time, after notice of the proposed action in the call for a meeting, reduce the number to not less than five by abolishing the office of any trustee which is vacant and filing in the Regent's office a certified copy of the action. Unless his trusteeship is theretofore vacated by resignation, death, removal or otherwise, each trustee shall serve for the term for which he has been elected, and until such time as his successor is elected and shall have qualified.

Section 2. PLACE OF MEETINGS - Meetings of the Board may be held at such place within the State of New York, as the trustees may from time to time determine.

Section 3. ANNUAL MEETINGS - The annual meeting of the Board shall be held during September or October of each year at a time and at a place to be decided by the Board, for the election of trustees by a majority vote and the transaction of such other business as may properly come before the meeting.

Section 4. SPECIAL MEETINGS - Special meetings of the Board of Trustees may be called by the Chairman of the Board of Trustees, or in his absence on the written request of three trustees.

Section 5. NOTICE OF MEETINGS - Notice of the time and place of every meeting shall be mailed at least ten days before the meeting to the usual address of each trustee. Whenever by statute or the provisions of the charter or any amendments thereto or these By-Laws, notice of any kind is required before any action or meeting of the Board of Trustees, such notice may be waived in writing before or after the taking of such action or the holding of such meeting, by the persons entitled to such notice.

Section 6. QUORUM - Six members of the Board shall constitute a quorum for the transaction of business at scheduled meetings. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice, other than the announcement at the meeting, until a quorum shall have been obtained. A majority of those present at a meeting lacking a quorum may present in written form any proposals for approval and adoption in accordance with Section 12.

Section 7. ACT OF BOARD - Except where a more than majority vote shall be required by these By-Laws or by statute, the vote, if a quorum is present at such time, shall be the act of the Board.

Section 8. REMOVALS - The Board of Trustees may remove any trustee in accordance with the applicable provisions of law.

Section 9. VACANCIES - The office of any trustee shall become vacant on his death, resignation, refusal to act, removal from office, or expiration of his term. If any trustee shall fail to attend three consecutive meetings without excuse accepted by the Board of Trustees, he shall be deemed to have resigned, and the vacancy shall be filled. The Board of Trustees may fill the vacancy occurring in the office of any trustee by electing another for the unexpired term. Any vacancy in the office of trustee continuing for more than one year, or any vacancy reducing the number of trustees to less than two-thirds of the full number fixed by the Board of Trustees may be filled by the Regents of the University of the State of New York.

Section 10. COMPENSATION - Trustees as such shall not receive any stated salary or other compensation, but by resolution of the Board, expenses, if any, may be allowed for attendance at each annual or special meeting of the Board. Nothing herein contained shall be considered to preclude any trustee from serving the Corporation in any other capacity and receiving compensation therefore.

Section 11. EXECUTIVE COMMITTEE - The Board of Trustees may elect an Executive Committee of not less than five trustees who, in intervals between meetings of the trustees, may act with full authority of the Board, except to make removals from office, subject to the following limitations:

a. The Committee shall give the full Board electronic or written notice of any action to be taken no less than five (5) days before such action is taken except in the case of an urgent matter where, by the judgment of the Executive Committee, action must be taken within 48 hours or less;

b. Upon written request to the Board Chair by five (5) or more members, the full Board must approve by majority vote the authority of the Executive Committee to decide the issue under consideration before the Committee may act: The Board's vote shall be recorded in written or electronic form.

c. The Executive Committee shall inform the full Board of any action taken in the Board's name within two (2) days of taking such action.

The Board shall have the power at any time to fill vacancies or change the membership or discharge any such Executive Committee.

ARTICLE III.

OFFICERS

Section 1. ELECTION, NUMBER, QUALIFICATION and VACANCIES - The Board of Trustees shall as soon as may be practicable after each annual election of the trustees elect or appoint, from among the trustees so elected, a Chairman, a Vice Chairman, a Treasurer, and a Secretary. Any

two such offices may be held by one individual, except the offices of Chairman and Vice Chairman. The Board shall also elect or appoint a President and one or more Vice Presidents, Assistant Treasurers, and Assistant Secretaries. Any two of such offices may be held by one individual. Vacancies may be filled by the Board at any time.

Section 2. TERM OF OFFICE AND REMOVALS - The term of such officers shall be until the next annual election of officers, or until their successors are chosen and shall have qualified; but any officer may be removed in accordance with the applicable provisions of law.

Section 3. POWERS AND DUTIES - The officers of the Corporation shall, unless otherwise ordered by the Board of Trustees, each have such power and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be specifically conferred by the Board of Trustees.

Section 4. COMPENSATION - The officers shall receive such salary or other compensation as may be determined by the Board of Trustees.

Section 5. CHAIRMAN AND VICE CHAIRMAN - The Chairman of the Board shall preside at all meetings of the Board. In the absence of the Chairman of the Board, the Vice Chairman of the Board shall perform the functions of the Chairman. The Chairman and Vice Chairman shall perform such other duties as the Board of Trustees may from time to time assign to them.

ARTICLE IV.

MISCELLANEOUS PROVISIONS

Section 1. CHECKS, NOTES, ETC. - All checks or demands for money and notes of the Corporation and other instruments for the payment of money shall be signed by such officer or officers, or other person or persons as shall be thereunto authorized from time to time by the Board of Trustees.

Section 2. CORPORATE SEAL - The seal of the Corporation shall be circular in form and contain the name of the Corporation, the year of its organization, and the words "Corporate Seal, New York" or any similar expression. The seal may be used by causing it to be impressed upon the instrument or writing to be sealed. The seal may also be a facsimile, engraved or printed.

ARTICLE V.

INDEMNIFICATION

Section 1. TRUSTEES AND OFFICERS - The Corporation shall indemnify any person made, or threatened to be made, a party to any action, suit or proceeding by reason of the fact that such person or such person's testator or intestate is or was a member of the Board of Trustees or an officer of the Corporation, or any other Corporation which such person serves or served as such at the request of the Corporation, against all reasonable expenses, including attorneys' fees, actually and necessarily incurred by such person in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, and including the cost of court-approved settlements, to the fullest

extend and in the manner set forth and permitted by the New York Not-for-Profit Corporation Law and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which such member officer may be entitled apart from the foregoing provisions.

Section 2. DEEMED CONTRACT - The foregoing provisions of the Article shall be deemed to be a contract between the Corporation and each member of the Board of Trustees and each officer who serves in such capacity at any time while this Article and the relevant provisions of the New York Not-for-Profit Corporation Law and other applicable law, if any, are in effect, and, except to the extent otherwise required by law, any repeal or modification thereof shall not affect any rights or obligations then existing or thereafter arising or any action, suit or proceedings theretofore or thereafter brought or threatened based in whole or in part upon any such state or facts.

Section 3. OTHER PERSONS - The Board of Trustees in its discretion shall have power on behalf of the Corporation to indemnify any person, other than a trustee or officer, made a party to any action, suit or proceeding by reason of the fact that such person or such person's testator or intestate is or was an employee of the Corporation.

ARTICLE VI.

AMENDMENTS

The By-Laws may be amended, added to or repealed at any time by the Board of Trustees except that no By-Law by which more than a majority vote shall be required for any specified action by trustees shall be amended, or repealed by a smaller vote than that required for action thereunder.

Exhibit D

Good Standing Certificate of North Country School

The University of the State of New York
Education Department

STATE OF NEW YORK)
COUNTY OF ALBANY)

ss.:

I, Alison B. Bianchi, Counsel and Deputy Commissioner for Legal Affairs for the New York State Education Department, hereby certify that North Country School, located in Lake Placid, county of Essex and State of New York, was incorporated by action of the Board of Regents by the issuance of a provisional charter granted on June 29, 1956; that such provisional charter was made absolute by Regents action on June 23, 1961; that the period for which such corporation was created is perpetual; that no certificate or order of dissolution of such corporation has been filed or issued; and that such corporation is currently authorized to do business in the State of New York.

IN WITNESS WHEREOF, I hereunto set my hand and affix the seal of the University of the State of New York and of the State Education Department at the City of Albany, New York on this 11th day of March, 2019.



A handwritten signature in black ink, consisting of a stylized, cursive name followed by a horizontal line.

Alison B. Bianchi
Counsel and Deputy Commissioner
For Legal Affairs

**CERTIFICATE OF NORTH COUNTRY SCHOOL
PURSUANT TO SECTIONS 2.02(b)(ii) AND 7.03 OF THE
BOND PURCHASE AND LOAN AGREEMENT**

I, the undersigned, David Hochschartner, of North Country School (the "Institution"), an Authorized Officer thereof and as Executive Director thereof, DO HEREBY CERTIFY that:

1. This certificate is executed in compliance with the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement"), by and among the Essex County Capital Resource Corporation (the "Issuer"), North Country School (the "Institution") and Boston Private Bank & Trust Company, as bondholder (the "Bondholder"), in connection with the issuance by the Issuer of its (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date of this letter (collectively, the "Bonds").

2. Each of the representations and warranties of the Institution contained in the Bond Purchase and Loan Agreement are true and correct and in full force and effect on and as of the date hereof.

3. The Institution has complied with all terms of the Bond Purchase and Loan Agreement relating to the Bonds, required to be complied with by it prior to or concurrently with the delivery of the Bonds.

4. The Institution is not, and, as the result of the issuance of the Bonds, shall not be, in default (without regard to any notice or cure periods) in the performance of any covenants, condition, agreements, or provisions contained in the Bond Purchase and Loan Agreement.

5. There is no litigation involving the Institution that might reasonably be expected to materially affect the transactions contemplated by the Bond Purchase and Loan Agreement.

6. The renovation, equipping, use and operation of the Project conforms to all material applicable zoning, planning, building and environmental and other laws and regulations of governmental authorities having jurisdiction over the Project.

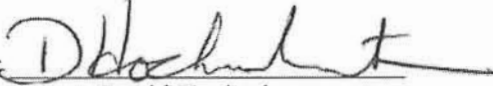
7. The Institution has obtained all of the necessary governmental permits, licenses and other authorizations relating to the renovation, equipping, use and operation of the Project prior to the date hereof.

8. The Institution has, at or prior to the date hereof, complied with all agreements and covenants, obtained all consents and satisfied all conditions on its part required to be complied with or satisfied in connection with the execution and delivery of the Bond Purchase and Loan Agreement, to be complied with by it prior to or concurrently with the date hereof.

9. The Institution has complied with all material conditions and covenants of each indenture, mortgage, other commitment or agreement to which the Institution is a party or by which it or any of its properties are bound (collectively, the "Material Agreements"), and no "event of default," nor any occurrence which but for the passage of time or the giving of notice or both would be an "event of default," has occurred under any of the Material Agreements.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of March 2019.

NORTH COUNTRY SCHOOL

By: 
Name: David Hochschartner
Title: Executive Director

CERTIFICATE REGARDING ENVIRONMENTAL COMPLIANCE

I, David Hochschartner, Executive Director of North Country School (the "Institution") DO HEREBY CERTIFY as follows:

1. Attached hereto as Exhibit A are true and correct copies of the Adirondack Park Agency (the "Agency") permits, dated July 25, 2018 and August 27, 2018, required in connection with the Project (as that term is defined in the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Agreement") by and among the Essex County Capital Resource Corporation (the "Issuer"), the Institution and Boston Private Bank & Trust Company, as bondholder (the "Bondholder").


2. Attached hereto as Exhibit B is a true and correct copy of the determination letter, dated October 19, 2017, from the Agency and addressed to the Institution (the "Determination") making certain findings and determinations that a portion of the Project does not require a permit under the Adirondack Park Agency Act (the "Act").

3. To the best of my knowledge, from the date of the Agency approval of the Project and the issuance of the applicable permits to the date hereof and from the date of the Determination to the date hereof, there has occurred no event nor has there been any material change made to the Project (as that term is referred to in the Agreement) pursuant to the terms of the Agreement which would require the undertaking of additional conditions imposed by the Act or by the environmental compliance proceedings pursuant to Article 8 of the NYS Environmental Conservation Law and the state regulations promulgated thereunder by the NYS Department of Environmental Conservation.

[Signature page follows]

IN WITNESS WHEREOF, I have set my hand this March 29, 2019.

NORTH COUNTRY SCHOOL

By: 
Name: David Hochschartner
Title: Executive Director

[Signature page to Certificate Regarding Environmental Compliance]

**LIBERTYABSTRACT COMPANY
OF PLATTSBURGH, INC.**
62 Brinkerhoff Street, Suite 104
Plattsburgh, New York 12901
(518) 561-8238

SEARCH V OF VI

OUR NO: 19-8721A
TITLE IN: North Country School, Inc.
PREMISES: k/a #4382 Cascade Road
Town of North Elba, Essex County
Tax Map No. 52.4 -1-11

K/A 4382 Cascade Rd

T/m# 52.4-1-11

T/o North 280a

19-8721A

Sch V of VI

	Jankowski, Chester J.	^(NIP) 01/04/01 (Est of)	10/29/1948 - 03/01/2003
(A/K/A	Davis, Jan C.)		↓ - ↓
	North County School		10/30/1957 - Date
	"Camp - Treetops"		↓ - ↓
	Bala, Leonard Adm		01/03/2001 - 03/01/2003

(
355-115
356-342
1354-74
)

Deed

See Att'd

* 263-132 PSA

* 1354-74 PSA Double

01/20/2019

Mtgs

See Att'd

01/20/2019

Do
See Att'd

01/20/2019

Tlo No 226a

19-87215

① KIA 37 Wrights Way

T/m# 52.4-1-7.100 (1811-71)

④ KIA 4375 Cascade Rd

T/m# 52.4-1-22 (508-200)

② KIA ²⁰⁴ Cascade Rd (AKA Rto 73)

T/m# 52.4-1-12 (720-130)

⑤ KIA 4382 Cascade Rd

T/m# 52.4-1-11 (355-115, 256-342)¹³⁵⁴⁻⁷⁴

③ KIA 4379 Cascade Rd

T/m# 52.4-1-21 (1452-184)

⑥ KIA Ely Cascade Rd

T/m# 52.4-1-27.029 (1870-129)

(N/F)

North Country School (dnc.)
Camp Piestopa

10/30/1957 - Date

" "

Deeds

Mtgs

355-401 Tlo Keeme

333-263 T/m# 1A

* 357-343 P/O T/m# 12

12/05/18

410-358 Op. (T/m# 21)

424-227 Op (T/m# 22)

499-338 M00 Op (424-227)

594-22 Agri't ROW & Op (Ref Mtg Dat) (T/m# 's 21 & 22)

720-130 T/m# 12

755-52 Tlo Keeme

948-314 " "

98-335 APA #91-157 (L 410 op 363 & L 502 op 200)

1002-8 P/O (T/m# 21 Coma back 1452-184)

35-144 APA #91-157A Orndo 22-335

1077-4 Agri't ? T/m# 21 & 22

Do
See Att'd

1315-193 Agri't @ 1002-8

(JID) * 1354-74 PSA (Pto T/m 11)

1452-184 PSA (T/m# 21)

1455-20 Waiver of OP & ROER (21)

* 168-218 APA Settlement Agri't (T/m# 's 11, 12 & 13)

1495-306 Waiver & Rel (594-22) (T/m# 20)

1495-308 Agri't (594-22) (")

* 71-191 APA 2006-278 (T/m# 52.4-1-11)

* 176-236 APA T/m# 's (11 & 22)

* 1626-150 Case T/m# 's (11 & 13)

1665-90 Case T/m# 's 22, 25, 23, 210 & 23, 100

T10 NE

T10# 59.4-1-7.100, 11, 12, 21, 22, 27, 29

Becker Point

* 91-129 APPA 2011-178A (T10#s 11, 22)

1755-11010 T10 Kaomo

1811-67 Fed ROFR (T10# 7, 100) (1531-258, 1581-204, 1771-289)

1811-69 Fed ROFR " (1531-258, 1531-204, 1771-289)

1811-71 RSA (T10 7, 100)

1870-129 PSA (T10 27, 29)

* 107-327 APPA 2018-18 (T10# 11)

* 108-71 APPA 2017-130 (")

12/05/18

1941-125 T10 Kaomo

01/21/2019

Aug ✓

Sat ✓

Quota

NCS ✓

Comp ✓

LP ✓

Lenar ✓

LP

pankumarini ✓

Pravara ✓

Roda ✓

North Country School

Thomson 193 - 1978

355-111 T10 Keame

* 355-115 PSA T1M#11

356-344 T10 Keame. Lower-355-111

* 356-342 (222 355-115 T1M#11

* 410-358

* 410-363 PSA T1M#21

* 410-367 op.

* 424-227 op.

* 499-338 op MAD

* 508-200 PSA T1M#23

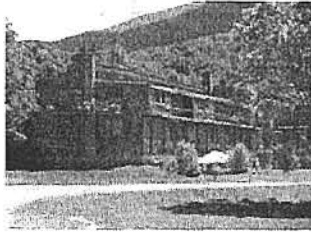
12/31/1978

K/A 4382 Cascade Rd
 T/M # 5247-1-11

Do		
Beed 263-132	SOUTH PART T/M # 11	1
Beed 355-115		2
Beed 136-148	dump P/O	3
Beed 356-342	⊕ cold Beed	4
P/O 357-343		5
Beed 1354-74	⊕ No bot found in E.C.S.O	6
Beed 71-191	permut # 2006-278	7
Beed 76-236	permut # 2008-38	8
Beed 91-129	permut # 2011-178A * permut # 2011-178 not found of record.	9
Beed 1626-150		10
Beed 107-327	permut # 2018-18	11
Beed 103-71	permut # 2017-130	12



Property Description Report For: 4382 Cascade Rd, Municipality of North Elba



Status: Active
Roll Section: Wholly Exem
Swis: 154089
Tax Map ID #: 52.4-1-11.000
Property #: 675J118301
Property Class: 612 - School
Site: RES 1
In Ag. District: Yes (AG1)
Site Property Class: 210 - 1 Family Res
Zoning Code: 02
Neighborhood Code: 40504 - COM TOV
School District: Lake Placid
Total Assessment: 2018 - \$7,747,400
 2017 - \$8,360,000

Property Desc: 1 Twp 12 Omt Rs
Deed Page: 74
Grid North: 1539922

Total Acreage/Size: 196.20
Land Assessment: 2018 - \$616,300
 2017 - \$1,348,900
Full Market Value: 2018 - \$7,747,400
 2017 - \$8,360,000

Equalization Rate: ----
Deed Book: 1354
Grid East: 614840

Area

Living Area: 1,451 sq. ft.	First Story Area: 1,451 sq. ft.
Second Story Area: 0 sq. ft.	Half Story Area: 0 sq. ft.
Additional Story Area: 0 sq. ft.	3/4 Story Area: 0 sq. ft.
Finished Basement: 0 sq. ft.	Number of Stories: 1
Finished Rec Room: 0 sq. ft.	Finished Area Over Garage: 0 sq. ft.

Structure

Building Style: Ranch	Bathrooms (Full - Half): 2 - 0
Bedrooms: 3	Kitchens: 1
Fireplaces: 1	Basement Type: Full
Porch Type: Porch-open/deck	Porch Area: 52.00
Basement Garage Cap: 0	Attached Garage Cap: 672.00 sq. ft.
Overall Condition: Normal	Overall Grade: Average
Year Built: 1950	

Owners

North Country School
 P.O. Box 187
 Lake Placid NY 12946

Sales

Sale Date	Price	Property Class	Sale Type	Prior Owner	Value Usable	Arms Length	Add. Parcels	Deed Book and Page
3/5/2003	\$70,000	612 - School	Land Only	North Country School Inc	No	No	No	1354/74

Utilities

Sewer Type: Private	Water Supply: Private
Utilities: Electric	Heat Type: Electric
Fuel Type: Electric	Central Air: No

Improvements

Structure	Size	Grade	Condition	Year
Porch-open/deck	4 x 13	Average	Normal	1950
Porch-open/deck	14 x 14	Average	Normal	1950
Gar-1.0 att	24 x 28	Average	Normal	1950

Land Types

Type	Size
Leased Land	0.01 acres

Special Districts for 2018

Description	Units	Percent	Type	Value
BTI40-BTI District	0	0%		0
E1647-Emergency Services	0	0%		0
FP401-Fire Protection-1	0	0%		0
PK400-Park District	0	0%		0

Special Districts for 2017

Description	Units	Percent	Type	Value
BTI40-BTI District	0	0%		0
E1647-Emergency Services	0	0%		0
FP401-Fire Protection-1	0	0%		0
PK400-Park District	0	0%		0

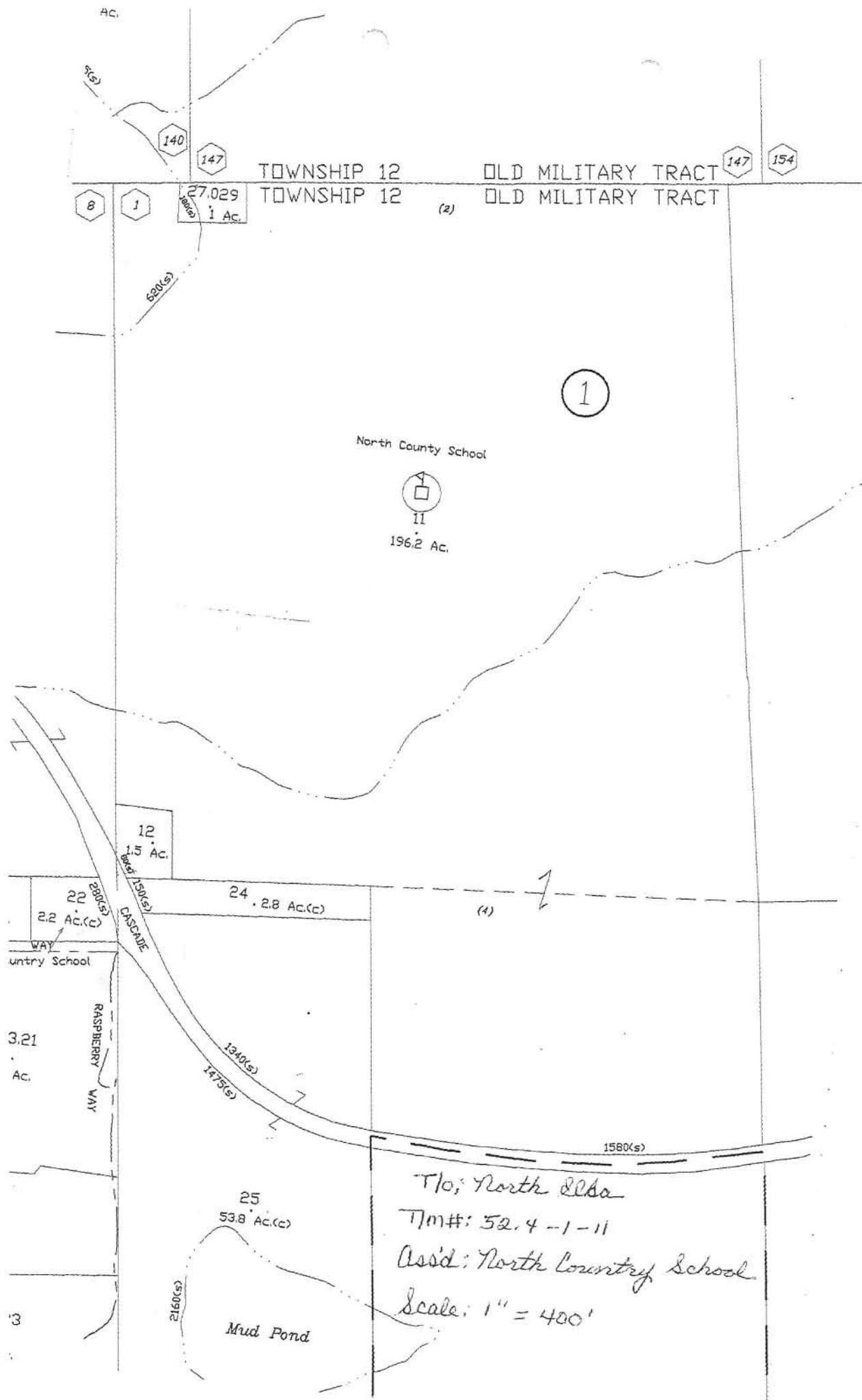
Exemptions

Year	Description	Amount	Exempt %	Start Yr	End Yr	V Flag	H Code	Own %
2018	CONST ED	\$7,747,400	0	1983				0
2017	CONST ED	\$8,360,000	0	1983				0

Taxes

Year	Description	Amount
------	-------------	--------

*** Taxes reflect exemptions, but may not include recent changes in assessment.**



This Indenture

NO. 1
263-132

Made the 30th day of October Nineteen Hundred and Forty-eight,

~~Witnesseth~~ RALPH E. HALE of Keene, Essex County, New York,

party of the first part, and

CHESTER J. JANKOWSKI, of 1091 Cutler Street, Schenectady 3, New York,

party of the second part,

~~Witnesseth~~, that the party of the first part, in consideration of

ONE HUNDRED - - - - - Dollars
and other good and valuable consideration,
(\$ 100.00) lawful money of the United States,

to him in hand paid by the party of the second part,

does hereby grant and release unto the party of the second part, his

heirs, distributees and assigns forever, all THAT TRACT OR PARCEL OF LAND in the town of North Elba, County of Essex and State of New York, in Township 12, Old Military Tract, Richards' Survey, and in Sub-division 4 of Lot No. 1, and being the portion of the 89 acre tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies north of the Cascade Road and bounded and described as follows:

BEGINNING in the center of said road where the easterly line of said tract intersects the same, which line is also the east line of said Sub-division 4 of Lot No. 1, and running thence northerly along the east line of said tract to the northeast corner thereof; thence westerly along the northerly line of said tract to lands now owned by Ethel W. Defoe; thence southerly along the easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his easterly line to the center of the said Cascade Road; thence easterly along the center of said road to the place of beginning, being 25 acres more or less.

BEING the same premises conveyed by James Shea and Grace A. Shea, his wife, to Ralph E. Hale by warranty deed dated September 21st, 1926, recorded in the Essex County Clerk's Office December 23rd, 1926 in Liber 185 of Deeds at Page 307.

SOUTH
PART
Tim H

Together with the appurtenances and all the estate and rights of the party of the first part in and to said premises,
To have and to hold the premises herein granted unto the party of the second part, his heirs, distributees and assigns forever.

And said party of the first part

covenants as follows:

First. That the party of the second part shall quietly enjoy the said premises;

Second. That said party of the first part

will forever Warrant the title to said premises.

In Witness Whereof. the party of the first part has hereunto set his hand and seal the day and year first above written.

In Presence of

Ralph E. Hale LS

_____ LS
_____ LS

State of New York }
County of ESSEX } ss..

at
On this 27th day of October Nineteen Hundred and
Forty-eight, before me, the subscriber, personally appeared
RALPH E. HALE,

to me personally known and known to me to be the same person described
in and who executed the within Instrument, and he duly
acknowledged to me that he executed the same

Carl J. Bliss

Notary Public in the State of New York
Residing in the County of Essex
Essex County Official Number 43
My Commission expires March 30, 1950



RALPH E. HALE

TO
CHESTER J. JANKOWSKI

Dated, October 30, 1948

STATE OF NEW YORK
County of Essex ss.

RECORDED ON THE
Index of November 12, 1948
at 9 o'clock A.M.
in LIBER 263 of DEEDS
at PAGE 132 and examined

Harry M. ...
CLERK

LAW OFFICE OF
R. HAROLD R. SODEN
LAKE PLACID, N. Y.

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT—THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY.

THIS INDENTURE, made the _____ day of November, nineteen hundred and fifty-seven
BETWEEN TREE-NORTH CORPORATION, a New York corporation, with
its principal office in the Village of Lake Placid, Town of
North Elba, County of Essex and State of New York,

party of the first part, and NORTH COUNTRY SCHOOL, a New York Corporation
with its principal office in the Village of Lake Placid, Town
of North Elba, County of Essex and State of New York,

party of the second part,

No. 2

WITNESSETH, that the party of the first part, in consideration of Ten Dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

355-115

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the town of North Elba, County of Essex and State of New York, being subdivision No. 2 of Lot No. 1, Township No. 12, Old Military Tract, Richard's Survey,

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Ueber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office, on July 11, 1907 in Book 136 of Deeds, at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on 1st line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning, containing 1 acre of land, be the same, more or less.

Being the same premises conveyed to the party of the first part by Douglass Haskell and Helen Lacy Haskell, his wife, by deed acknowledged August 27, 1938 and recorded in the Essex County Clerk's Office on August 31, 1938, in Book 219 of Deeds, at page 564.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

TREE-NORTH CORPORATION

By Walter E. Clark
Walter E. Clark, Vice President

ATTEST:

(Corporate Seal)

Leonora L. Clark
Leonora L. Clark, Assistant Secretary

STATE OF NEW YORK, COUNTY OF Essex
On the 27 day of November 1957, before me personally came Walter E. Clark

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

Carleton D. Loxie
Notary Public

STATE OF NEW YORK, COUNTY OF Essex
On the 27 day of November 1957, before me personally came Lenora L. Clark

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

Carleton D. Loxie
Notary Public

STATE OF NEW YORK, COUNTY OF Essex
On the 27 day of November 1957, before me personally came Walter E. Clark to me known, who, being by me duly sworn, did depose and say that he resides at No. North Country School Lake Placid, New York; that he is the Vice President of TREE-NORTH CORPORATION

the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

STATE OF NEW YORK, COUNTY OF Essex
On the 27 day of November 1957, before me personally came Lenora L. Clark the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at No. North Country School, Lake Placid, N.Y. that he knows

to be the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw execute the same; and that he, said witness, at the same time subscribed his name as witness thereto.

TITLE No.

TREE-NORTH CORPORATION

TO

NORTH COUNTRY SCHOOL

Bargain and Sale Deed
WITH COVENANT AGAINST GRANTOR'S ACTS

The land affected by the within instrument lies in Section in Block on the Land Map of the County of
Recorded at Request of

Carleton D. Loxie, Notary Public
Honored on the 27th day of November 1957 at
of Lake Placid, in the County of Essex
of Don'ts at page 115
witnessed by
Carleton D. Loxie
Notary Public

STANDARD FORM OF
NEW YORK BOARD OF TITLE UNDERWRITERS
Distributed by
TITLE GUARANTEE
and Trust Company

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

PARCEL OUT

NO. 2 (A)

136-148

THIS INSTRUMENT, Made the 21st day of December in the year Eighteen hundred and ninety six.

Between Alexander Stalker & wife, of the Town of North Elba, County of Essex and State of New York of the first part, and Emma L. Umber of the Town, County and State aforesaid, of the second part.

Witnesseth: That the said parties of the first part, in consideration of Fifty Dollars lawful money of the United States, paid by the party of the second part, do hereby grant and release unto the said party of the second part, her heirs and assigns forever.

All that certain piece and parcel of land, situate in the Town of North Elba, and described as follows: Being a part of lot 1, Sub. 2 Township twelve, Old Military Tract, Richards. Beginning at the northwest corner of the land part of said lot or in the north line of said lot at the low water mark of Round Pond, running thence easterly sixteen rods on lot line; thence southerly at right angles to the first line ten rods; thence westerly at right angles with the second line & parallel to the first line sixteen rods, thence northerly ten rods to the place of beginning to contain one acre of land be the same more or less.

27.029

Together with the appurtenances and all the estate and rights of the parties of the first part in and to said premises.

To Have and to Hold, the above granted premises unto the said party of the second part, her heirs and assigns forever. And the said parties of the first part do covenant with said party of the second part, as follows: That the said Alexander Stalker & M. J. Stalker, will forever warrant the title to said premises.

In Witness Whereof, the said parties of the first part have hereunto set their hands and seals the day and year first above written.

In the Presence of
 Alexander Stalker. L. S.
 M. J. Stalker. L. S.

State of New York, County of Essex, SS:

On this twenty-first day of December in the year One thousand eight hundred and ninety-six, before me, the subscriber, personally came Alexander Stalker and M. J. Stalker, his wife, to me known to be the persons described in and who executed the within instrument, and then acknowledged that they executed the same.

L. S. Reuben W. Clifford, Notary Public.

Recorded on the 11th day of July 1907, at S.A. M.

[Signature] CLERK.

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT—THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY.

BOOK 356 PAGE 342

as of
THIS INDENTURE, made the 27th day of November, nineteen hundred and fifty-seven
BETWEEN TREE-NORTH CORPORATION, a New York corporation, with its principal office in the Village of Lake Placid, Town of North Elba, County of Essex and State of New York

party of the first part, and NORTH COUNTRY SCHOOL, a New York corporation with its principal office in the Village of Lake Placid, Town of North Elba, County of Essex and State of New York,

no. 3

356-342

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten Dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being subdivision No. 2 of Lot No. 1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office, on July 11, 1907 in Book 136 of Deeds, at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning, containing 1 acre of land, be the same, more or less.

Being the same premises conveyed to the party of the first part by Douglas Haskell and Helen Lacy Haskell, his wife, by deed acknowledged August 27, 1938 and recorded in the Essex County Clerk's Office on August 31, 1938, in Book 219 of Deeds, at page 564.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

This deed is given to correct the deed recorded in the Essex County Clerk's office on December 3, 1957 in Liber 355 of Deeds at page 115 (which deed had an improper acknowledgment).

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

TREE-NORTH CORPORATION

By Walter E. Clark
Walter E. Clark, Vice-President

(Corporate Seal)

ATTEST:

Leonora L. Clark
Leonora L. Clark, Assistant Secretary

STATE OF NEW YORK, COUNTY OF

STATE OF NEW YORK, COUNTY OF

§§:

On the day of 19 before me personally came

On the day of 19 before me personally came

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

STATE OF NEW YORK, COUNTY OF Essex)

STATE OF NEW YORK, COUNTY OF

§§:

On the day of January 1958 before me personally came Walter E. Clark to me known, who, being by me duly sworn, did depose and say that he resides at North Country School, Lake Placid, New York that he is the Vice-President of TREE-NORTH CORPORATION the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

On the day of 19 before me personally came the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at No. that he knows to be the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw execute the same; and that he, said witness, at the same time subscribed his name as witness thereto.

Notary Public

From 22nd to March 19 1958

TITLE No.

TREE-NORTH CORPORATION

TO

NORTH COUNTRY SCHOOL

Bargain and Sale Deed

WITH COVENANT AGAINST GRANTOR'S ACTS

The land affected by the within instrument lies in Section in Block on the Land Map of the County of Essex

Recorded at Registrar of

Hays, Siclar & Herzberg

579 Fifth Avenue N. Y.

New York N. Y.

Registered on the 2nd of January 1958 at the office of the Registrar of Deeds, in Book 356 of Deeds at page 343

STANDARD FORM OF NEW YORK BOARD OF TITLE UNDERWRITERS. Distributed by TITLE GUARANTEE and Trust Company

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

BOOK 356 PAGE 343

This Indenture

PARCEL OUT
No. 4
357-343

Made the 5TH day of March, Nineteen Hundred and Fifty-eight,

~~Between~~ NORTH COUNTRY SCHOOL,

a corporation organized under the laws of the State of New York, with its principal office located in the Village of Lake Placid, Town of North Elba, Essex County, New York,

party of the first part, and

DOUGLAS HASKELL and HELEN LACY HASKELL, his wife, both residing at 1 Lexington Avenue in the City, County and State of New York, as tenants by the entirety,

parties of the second part,

~~Witnesseth~~, that the party of the first part, in consideration of

ONE HUNDRED AND MORE _____ Dollars

(\$100.00 & more) lawful money of the United States,

paid by the parties of the second part,

does hereby grant and release unto the parties of the second part, and to the survivor of them, his and/or her heirs, distributees and their ~~and assigns forever, all~~

ALL THAT TRACT OR PARCEL OF LAND situate in and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

Jim 12

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described; running thence along the south line of Subdivision 2 and along a wire fence, in part, S. 84° 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11° 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11° 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70° 04' W. a distance of 251.4 feet along a cedar rail fence, in part, to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7° 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7° 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

207

The above described parcel of land contains 1.5 acres, more or less, and is in accordance with a survey made by E. W. Sears, Licensed Land Surveyor, on November 2, 1957.

BEING a portion of the same premises conveyed by Tree-North Corporation to North Country School by deed acknowledged November 27, 1957 and recorded in the Essex County Clerk's office on December 3, 1957 in Book 355 of Deeds at page 115.

THIS CONVEYANCE IS MADE SUBJECT TO AND THERE IS EXCEPTED

AND RESERVED, however, to the party of the first part, its successors and assigns, an easement for a right of way sixteen (16) feet in width for the benefit of the remaining premises of the party of the first part and extending over the existing roadway presently crossing the premises hereby conveyed, said right of way being more fully described as follows:

BEGINNING at a point in the center line of the existing road, where the same intersects the westerly line of Subdivision 2, Lot No. 1, said point being N. 7° 23' E. a distance of 80 feet, more or less, from the southwest corner of Subdivision 2, Lot No. 1; running thence northeasterly 32 feet; and running 181 feet thence northerly to the intersection with the north line of the parcel hereinabove described, at a point located S. 70° 04' E. a distance of 48.0 feet from the northwest corner of said parcel. The above described road right-of-way to extend for 8.0 feet on either side of the above described center line. There is further RESERVED the right to improve and maintain said roadway for travel and to widen it to its full width of sixteen (16) feet.

THERE IS ALSO GRANTED HEREBY to the parties of the second part the right and easement to maintain the existing water pipe line crossing the premises of the party of the first part and serving the residence on the premises hereby conveyed; including the right to renew, repair and reconstruct said pipe line upon the condition that the premises of the party of the first part shall be restored as nearly as possible to the same state and condition they were in prior to the renewal, repair or reconstruction of said pipe line; RESERVING to the party of the first part, at its own expense, the right to relocate said pipe line in the event it is deemed necessary in the development of the property of the party of the first part.

The premises conveyed hereby are also a portion of the same premises described in deed from Tree-North Corporation to North Country School dated November 27, 1957 and recorded in said Clerk's Office on January 29, 1958 in Book 356 of Deeds at Page 342. Said later deed being a deed conveying the same premises, as were conveyed in the deed from Tree-North Corporation to North Country School recorded in Book 355 of Deeds at Page 115. The later deed having been given to correct an incorrect acknowledgment in the earlier deed.

Together with the appurtenances and all the estate and rights of the party of the first part in and to said premises,

To have and to hold the premises herein granted unto the parties of the second part, and to the ~~and assigns forever~~ survivor of them, his and/or her heirs, distributees and their assigns forever.

And the party of the first part covenants as follows:

First. That the parties of the second part shall quietly enjoy the said premises;

Second. That the party of the first part will forever Warrant the title to said premises.

THIRD. Subject to the trust fund provisions of Section Thirteen of the Lien Law.

In Presence of

In Witness Whereof. The party of the first part has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officer the day and year first above written.

NORTH COUNTRY SCHOOL

By Walter E. Clark
President

State of New York

County of ESSEX

ss..

BOOK 357 PAGE 346

#f

On this 5TH day of March, Nineteen Hundred and Fifty-eight, before me personally came WALTER E. CLARK,

to me personally known, who, being by me duly sworn, did depose and say that he resides in at North Country School, Town of North Elba, N.Y. that he is the PRESIDENT of NORTH COUNTRY SCHOOL, the corporation described in, and which executed, the above Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Norman L. Hess

NORMAN L. HESS
Notary Public, State of New York
Registered in Essex County
Commission Expires March 20, 1959

See 4 of 1958



NORTH COUNTRY SCHOOL

—*FO—

DOUGLAS HASKELL
and
HELEN LACY HASKELL

Dated, March 5TH 1958

STATE OF NEW YORK

County of *Saratoga* ss.

RECORDED ON THE

21 day of March A.D. 1958

at 1 o'clock P.M.

in LIBER 357 of DEEDS

in PAGE 343 undetermined

Henry M. ...
CLERK

LAW OFFICES OF
ISHAM, ISHAM & URFIRER
BANK OF LAKE PLACID BUILDING
LAKE PLACID, N. Y.

No. 5

bk: 1354 pg: 74 03/13/2003 DEED Image: 1 of 3

TTO num 1

Pto 11

This instrument constitutes the Clerk's endorsement required by New York Real Property Law § 210-a (2)

ESSEX COUNTY CLERK



BOOK 1354 PAGE 0074

Instrument

001682

Recording Stamp

Recorded Mar 19 2003
Time 4:02 PM
Book 1354 deed
Page 74

J. P. [Signature]
Essex County Clerk

Document Type Deed

Town North Elba

Consideration \$70,000.00

Part(ies): Grantor/Mortgagor/Assignor

Leonard Bala, Administrator of the Estate of Jan C.

Travis, formerly known as Chester J. Jankowski

Part(ies): Grantee/Mortgagee/Assignee

North Country School

Recorded by: O&G ABSTRACTS, INC.

Transfer Tax Stamp

Received
\$ 280.00
Real Estate
Transfer Tax
Essex County

11110715

Mortgage Tax Stamp

Recd Basic Mtg Tx \$ _____
Spec Addt'l Tax \$ _____
Addt'l Tax \$ _____
Total Amt of Tax \$ _____
Dated _____

Essex County Clerk

Record & Return to:

Timothy R. Smith, Esq.

Smith, Dwyer and Bliss, P.C.

33 Saranac Avenue

Lake Placid, NY 12946

- Index
- Verify
- Merge
- Copy/Dis
- Scan
- Mycro

Time Stamp/Assignment/Discharge/Release Info

NOTE! NO ESTATE FOUND IN ESSEX COUNTY SURROGATE COURT FOR JAN C. TRAVIS / CHESTER J. JANKOWSKI.

THIS IS A LEGAL INSTRUMENT AND SHOULD BE EXECUTED UNDER SUPERVISION OF AN ATTORNEY
ADMINISTRATORS DEED

THIS INDENTURE, Made the 28th Day of February, Two Thousand
Three

BETWEEN Leonard Bala, 11865 Duanesburg Road, Delanson, New York 12053, as
Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski,
late of the Town of Ballston Spa, County of Saratoga, State of New York, who died
intestate on the 4th day of January, 2001,

Party of the First Part,

NORTH COUNTRY SCHOOL, P.O. Box 187, Lake Placid, New York 12946,

Party of the Second Part;

WITNESSETH, that Whereas Letters of Administration were issued to the party of the
first part by the Surrogate's Court, County of Saratoga, New York on May 16, 2002, and
by virtue of the power and authority given in and by Article 11 of the Estates, Powers
and Trusts Law, or any amendment thereof from time to time made, and in
consideration of Seventy Thousand Dollars, (\$70,000.00), lawful money of the United
States, paid by the party of the second part, the receipt whereof is hereby
acknowledged, does hereby grant and release unto the party of the second part, her
heirs, and assigns forever,

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of
New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of
Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James
Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and
bounded and described as follows: Beginning in the center of said road where the
Easterly line of said tract intersects the same, which line is also the East line of said
Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract
to the Northeast corner thereof; thence Westerly along the Northerly line of said tract to
lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said
Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly
line to the center of the said Cascade Road; thence Easterly along the center of said
road to the place of beginning, being 25 acres more or less.

BEING the same premises conveyed to Chester J. Jankowski by Warranty Deed dated
October 30, 1948 and recorded in the Essex County Clerks Office on November 3,
1948 in Book 263 of Deeds at page 132. The said Chester J. Jankowski (now known
as Jan C. Travis) died a resident of the Town of Ballston Spa, Saratoga County, New
York on January 4, 2001 and Letters of Administration were duly issued to the party of
the first part herein by the Saratoga County Surrogate's Court on May 16, 2002.

BOOK 1354 PAGE 0076

SUBJECT to the provisions of the zoning ordinance, rules and regulations and all enforceable covenants, conditions, restrictions and/or easements of record, if any, affecting same.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances, and also all the estate which the said decedent had at the time of death in said premises, and also the estate therein, which the party of the first part has or had power to convey or dispose of, whether individually or by virtue of said estate or statute or otherwise.

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs, successors and assigns of the party of the second part forever.

Subject to the trust fund provisions of Section Thirteen of the Lien Law.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever.

IN WITNESS WHEREOF, the party of the first part has hereunto set her hand and seal the day and year first above written.

IN PRESENCE OF

Leonard Bala — L.S.
LEONARD BALA, Administrator

STATE OF NEW YORK)
COUNTY OF SCHENECTADY) ss.:

On February 28, 2003, before me, the undersigned, a Notary Public in and for said State, personally appeared Leonard Bala, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Paul M Callahan
NOTARY PUBLIC



PAUL M. CALLAHAN
Notary Public, State of New York
No. 4622613
Qualified in Schenectady County
Commission Expires February 26, 2006

NO. 6

Bk. 68 APA,
Page 218

Essex County
Joseph Provoncha
County Clerk
Elizabethtown, New York

Book: 68 Page: 218

Document Number: 2006- 00003544 Document Type: Adirondack Park Agency
Recorded Date: 06/07/2006

Parties: A P A
NORTH COUNTRY SCHOOL
Comment: SETTLEMENT AGREEMENT AGENCY FILE E2006-053
Recorded By: JOHN CULPEPPER

Pages Charged: 2
Pages Scanned: 3

**** Examined and Charged as Follows ****

Adirondack Park Agency	31.00
Coversheet	10.00
Recording Fee:	41.00

Index SD
 Verify ✓
 Copy/Dis ✓
 Scan SM

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**** This Page is Part of the Document ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office for:

File Information
 Document Number: 2006- 00003544
 Recorded Date: 06/07/2006 09:02 A
 Receipt Number: 18837

Mail Back
 JOHN CULPEPPER
 PO BOX 187
 LAKE PLACID NY 12946-



Joseph A. Provoncha

Joseph A. Provoncha
 Essex County Clerk

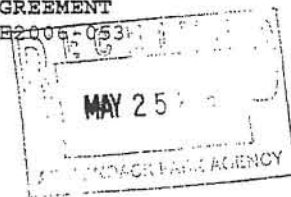
STATE OF NEW YORK: ADIRONDACK PARK AGENCY

-----X
In the matter of the apparent
violation of § 809(2) (a) of the
Adirondack Park Agency Act by:

SETTLEMENT AGREEMENT
Agency File #2006-053

NORTH COUNTRY SCHOOL

Respondent, on property located in
the Town of North Elba, Essex County
(Tax Map Section 52.04, Section 1, Lots 11, 12 & 13)
LUA: Rural Use
-----X



WHEREAS:

1. Pursuant to Executive Law § 809(2) (a), a permit is required from the Adirondack Park Agency prior to the construction public or semi-public buildings on lands designated Rural Use in the Adirondack Park.
2. Respondent constructed a house constituting a public or semi-public building on the subject property without an Agency permit, and has constructed other structures which are either accessory or potentially semi-public in nature, all without an Agency permit.
3. Respondent desires to resolve this matter and agrees to be bound by the terms of this Settlement Agreement.

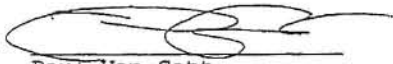
NOW, THEREFORE, THE AGENCY AND RESPONDENT AGREE AS FOLLOWS:

1. All of the existing structures identified by Respondent in J2006-177 shall be deemed lawful. Upon any failure of the sewage system serving the bathroom in the small animal barn on the property, Respondent shall ensure that the leach field associated with the septic system is located more than 100' from wetlands and in compliance with applicable Agency and NYSDOH requirements.
2. Respondent shall not undertake any new land use or development on the subject property without first obtaining a jurisdictional determination from the Agency and/or, if necessary, an Agency permit.
3. By June 24, 2006, Respondent shall file this Settlement Agreement under its name in the Essex County Clerk's Office in the same manner as an Agency permit and shall submit proof of such filing to the Agency, c/o Douglas Miller, Enforcement Officer.

4. This matter shall be deemed to be finally resolved upon the full execution of this Settlement Agreement.


Dated: 5/25, 2006
Ray Brook, New York

ADIRONDACK PARK AGENCY

By: 
Paul Van Cott
Enforcement Attorney

STATE OF New York)
) SS:
COUNTY OF Essex)

On this 25 day of May in the year 2006 before me, the undersigned, a Notary Public in and for said State personally appeared Paul Van Cott, personally known to me or proved to me on the basis of satisfactory evidence to be the individuals whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their capacities, and that by their signatures on the instrument, the individuals, or the person upon behalf of which the individual acted, executed the instrument.


Mary J. Reardon
Notary Public
Essex County NY State.
Exp. 8/23/08
#01RE6114798

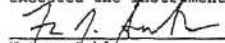
AGREEMENT

Respondent agrees to the terms set forth in this Settlement Agreement to resolve the matter of Adirondack Park Agency File E2006-053.

By: 
NORTH COUNTRY SCHOOL

STATE OF New York)
) SS:
COUNTY OF Essex)

On this 17 day of May in the year 2006 before me, the undersigned, a Notary Public in and for said State personally appeared David Hacks, personally known to me or proved to me on the basis of satisfactory evidence to be the individuals whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their capacities, and that by their signatures on the instrument, the individuals, or the person upon behalf of which the individual acted, executed the instrument.


FAVOR J. SMITH
Notary Public

May 10, 2006 Settlement Agreement

FAVOR J. SMITH
Notary Public, State of New York
No. 02SM5073067
in Essex County
February 10, 2007

R John Culpepper
PO Box 187
Lake Placid NY 12946

No. 7

Bk. 71 APA,
Page 191

Essex County
Joseph Provoncha
County Clerk
Elizabethtown, New York

Book: 71 Page: 191

Document Number: 2007- 00001527 Document Type: Adirondack Park Agency
Recorded Date: 03/21/2007

Parties: A P A
NORTH COUNTRY SCHOOL INC
Comment: 2006-278
Recorded By: JOHN CULPEPPER

Pages Charged: 9
Pages Scanned: 10

**** Examined and Charged as Follows ****

Adirondack Park Agency	52.00
Coversheet	10.00
Recording Fee:	62.00

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Verify	<input checked="" type="checkbox"/>
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**** DO NOT REMOVE ****

**** This Page is Part of the Document ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office for:

File Information

Document Number: 2007- 00001527
Recorded Date: 03/21/2007 01:48 P
Receipt Number: 30871


Mail Back
JOHN CULPEPPER
PO BOX 187

LAKE PLACID NY 12946-



Janet E. Cross Deputy
Joseph A. Provoncha
Essex County Clerk

R/R - John Culpepper, PO Box 187, Lake Placid, NY 12946

 <p>Adirondack parkagency</p> <p>P.O. Box 99 • Ray Brook, New York 12977 • (518) 891-4050</p>	<p>APA Project Permit 2006-278</p>
	<p>Date Issued: March 2, 2007</p>
<p>In the Matter of the Application of</p> <p>NORTH COUNTRY SCHOOL, INC.</p> <p>for a permit pursuant to §809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before May 1, 2007. Please index this permit in the grantor index under the following names:</p> <p>1. North Country School, Inc.</p>

SUMMARY AND AUTHORIZATION

North Country School, Inc. is granted a permit, on conditions, authorizing the construction of a new greenhouse and relocation of an existing greenhouse at an existing school in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This project may not be undertaken until this permit is recorded in the Essex County Clerk's Office. This permit shall expire unless so recorded on or before May 1, 2007 in the names of all persons listed on the first page hereof and in the names of all owners of record of any portion of the project site on the recordation date.

This project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the new greenhouse is constructed.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the applicant to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

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Project & Permit
No. 2006-278

AGENCY JURISDICTION

The project consists of the construction of a public/semi-public building, a Class B regional project requiring an Agency permit pursuant to §810(2)(c)(6) of the Adirondack Park Agency Act.

PROJECT SITE

The project site is a 208.4 acre parcel of land located on NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map. It is identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School dated February 28, 2003 which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74.

PROJECT DESCRIPTION AS PROPOSED

The project as proposed is summarized as follows: the construction of a 3,500 square foot greenhouse with a 450 square foot potting shed and the relocation of an existing 1,250 square foot greenhouse in order to attach it to the new greenhouse/potting shed at North Country School. The new greenhouse will be manufactured by Ovaltech and will be 16 feet in height. It will consist of a steel frame, 100 feet long and 35 feet in width. The structure will be covered with poly film until the school can afford to replace the film with double-walled polycarbonate (which is identical to the covering on the existing greenhouse). A propane tank will be used to provide occasional heating of the greenhouse. The additional greenhouse space will increase the productivity of the vegetable gardens at the school.

It is shown on a drawing entitled "Proposed greenhouse/potting shed with existing greenhouse moved", drawn by John Culpepper, and dated November 12, 2006 (herein after "site plan"). A copy of the site plan is attached as a part of this permit for easy reference. Also, attached is a reduced scale copy of a "Boundary and Topographic Survey" of the entire site, labeled "Drawing S1a" and dated 2004. The original, full-scale maps and plans referenced in this permit are the official plans for the project.

CONDITIONS

BASED UPON THE FINDINGS BELOW, THE PROJECT IS APPROVED WITH THE FOLLOWING CONDITIONS:

1. The project shall be undertaken as described in the completed application, the Project Description as Proposed and Conditions herein. In the case of conflict, the Conditions control.

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Project & Permit
No. 2006-278

Failure to comply with the permit is a violation and may subject the applicant, successors and assigns to civil penalties and other legal proceedings, including modification, suspension or revocation of the permit.

2. This permit is binding on the applicant(s), all present and future owners of the project site and all contractors undertaking all or a portion of the project. Copies of this permit and all the approved maps and plans referred to herein shall be furnished by the applicant(s) to all contractors prior to undertaking the project, and to all subsequent owners or lessees of the project site prior to sale or lease. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2006-278 issued March 2, 2007, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."
3. The Agency may conduct such on-site investigations, examinations, tests and evaluations as it deems necessary to ensure compliance with the terms and conditions hereof. Such activities shall take place at reasonable times and upon advance notice where possible.

Building Location and Size

4. This permit authorizes the construction of one greenhouse with an attached potting shed and the addition of an existing greenhouse in the location shown on the project plans. The authorized (combined) greenhouse structure shall not exceed a footprint of 5,200 square feet including all attachments. The structure shall not exceed 20 feet in height as measured from the highest point on the structure to the lowest point of existing grade or finished grade, whichever is lower.

Outdoor Lighting

5. Any new free-standing and building mounted outdoor lights shall employ full cut-off fixtures; that is, they shall be fully shielded to direct light downward and not into the sky. The fixtures shall be oriented so as to not cast light toward the highway or adjoining property. The intent is to reduce nighttime light pollution (glare, light trespass and sky glow).

Wetlands

6. No "regulated activity" as defined in the Agency's Freshwater Wetland Regulations (9 NYCRR Part 578) shall occur on the project site without prior Agency approval. Such activities include, but are not limited to, new land use or development in, subdivision

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Project & Permit
No. 2006-278

of, clearcutting more than three acres within, or dredging or filling of a wetland, or any other activity, whether or not occurring within the wetland, which pollutes it or substantially impairs its functions, benefits or values.

Visual/Open Space Protection

7. As shown on the site plan, the existing vegetation labeled as "existing scrub/trees" in the area of the proposed greenhouse shall be maintained to provide screening of the proposed structure from potential distant High Peaks views. To maintain that vegetation, no more than 20 percent of the "existing scrub/trees" in the area of the proposed greenhouse may be removed. This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Agency Review of Future Subdivision and Development

8. No further subdivision or land use and development shall occur on the property without first obtaining a jurisdictional determination and, if necessary, a permit from the Agency.

FINDINGS OF FACT

Background/Prior History

1. Agency jurisdictional determination J2006-177 stated that the proposed greenhouse requires an Agency permit as it is a component building of the school, and thus a public/semi-public building. This letter also opined that an Agency permit was required for the construction of the Meadow House, a 1,500± square foot structure used as a residence for the camp director. The residence constitutes a Class B regional project pursuant to Section 810 of the Adirondack Park Agency Act and requires an Agency permit.
2. Agency enforcement case E2006-53 resolved the construction of the residence constituting a public or semi-public building on the subject property without an Agency permit, as well as other structures which are either accessory or potentially semi-public in nature, all without an Agency permit. The settlement agreement established that all of the existing structures subject of the enforcement case are deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.

Existing Environmental Setting

3. The project site consists of a private school and a private summer children's camp on a 208.4 acre site in a rural setting, and contains many seasonal and year-round structures including tent platforms, lean-tos, cabins, bath houses, wood shop, science house, craft house, hike house, dining hall, sugar house, two boathouses, several pole garages, BBQ shelter, ceramic shop, barns, large main building, maintenance building, etc.

Public Notice and Comment

4. The Agency notified all adjoining landowners and those parties as statutorily required by §809 of the Adirondack Park Agency Act and published a Notice of Complete Permit Application in the Environmental Notice Bulletin. No comments have been received.

Other Regulatory Permits and Approvals

5. No additional approvals from local or state agencies are required for the project.

PROJECT IMPACTS

Wetlands

6. There are some wetlands on the site of various value ratings. The proposed greenhouse is over 300 feet away from wetlands on the project site.
7. Wetlands shown on the plans and/or described herein are intended to alert landowners and others that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Land Resources

8. The proposed greenhouse will not adversely impact land resources on the site. The area of the proposed greenhouse is underlain by well-drained soils located on slopes of 0 to 3 percent.

Open Space/Aesthetics

9. Provided that the proposed greenhouse is constructed as shown on the approved plans, and provided the removal of existing vegetation in the area of the proposed greenhouse is limited, no impact to open space and aesthetic resources is anticipated.

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No. 2006-278

Operational Issues Affecting Nearby Land Uses

10. The greenhouse will primarily operate from March through November as part of the private school and summer camp operations. No impact on neighboring land use is anticipated as a result of approval and operation of the greenhouse.

Historic Sites or Structures

11. In a letter dated September 19, 2006, the New York State Office of parks, Recreation and Historic Preservation stated that the project will have no adverse impact upon cultural resources in or eligible for inclusion in the State and National Registers of Historic places. Therefore, the project as proposed and authorized herein will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR Section 426.2 for the purposes of implementing §14.09 of the New York State Historic Preservation Act of 1980.

CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval as set forth in §809(10) of the Adirondack Park Agency Act (Executive Law, Article 27) and 9 NYCRR Part 574. The Agency hereby finds that the project is approvable and complies with the above criteria, provided it is undertaken in compliance with the conditions herein.

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Project & Permit
No. 2006-278

PERMIT issued this 2nd day
of March, 2007

ADIRONDACK PARK AGENCY

BY: MARK E. SENGENBERGER
Mark E. Sengenberger
Deputy Director (Regulatory Programs)

STATE OF NEW YORK)
) ss.:
COUNTY OF ESSEX)

On the 2nd day of March in the year 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Mark E. Sengenberger, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Tracy J. Frechette (Darrak)
Notary Public

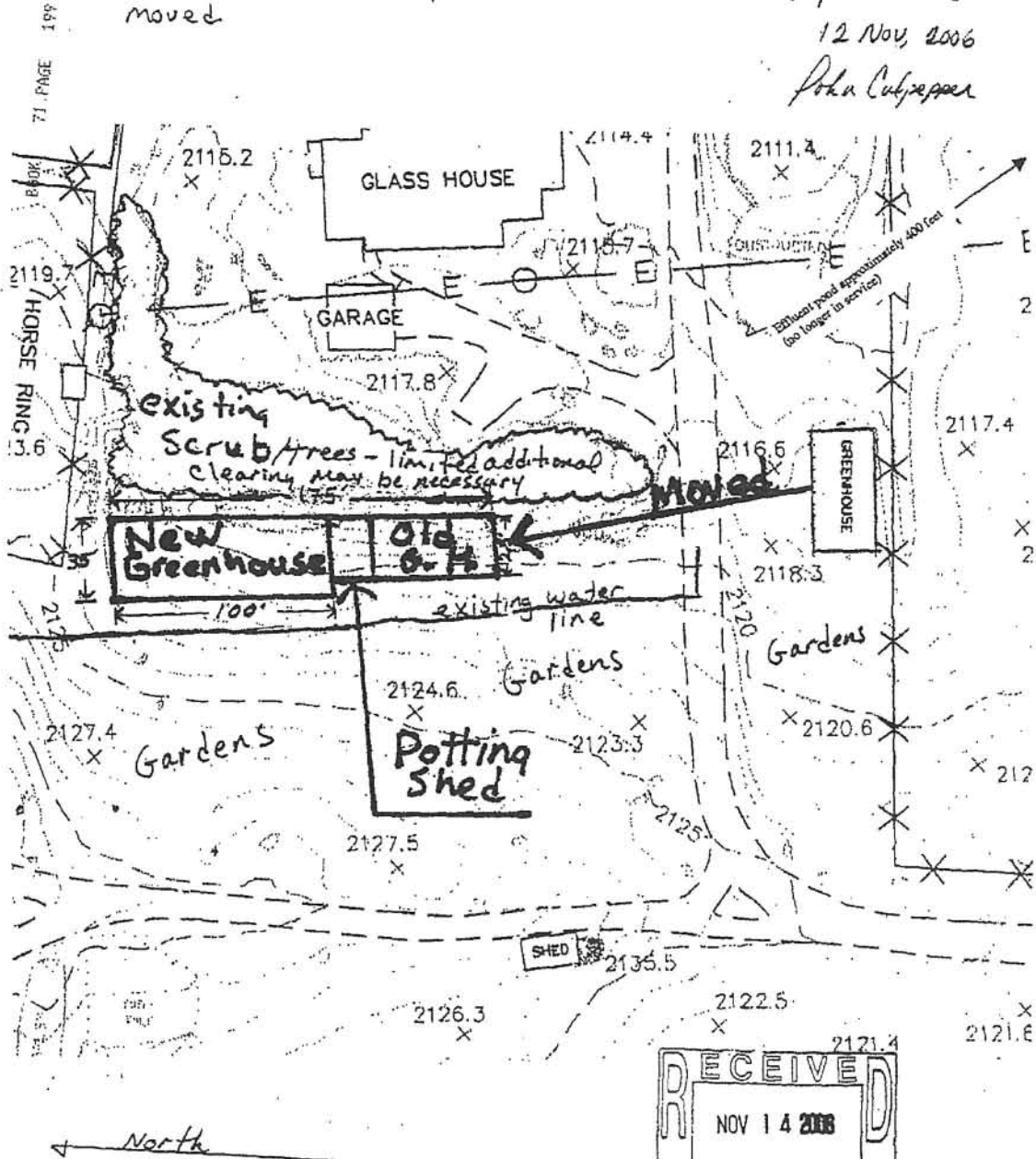
MES:CCP:HEK:tjd

TRACY J. FRECHETTE
Notary Public - State of New York
Qualified in Essex County
No. 01FR6114799
Commission Expires Aug. 23, 2008

Proposed greenhouse/potting shed with existing greenhouse moved

12 Nov, 2006

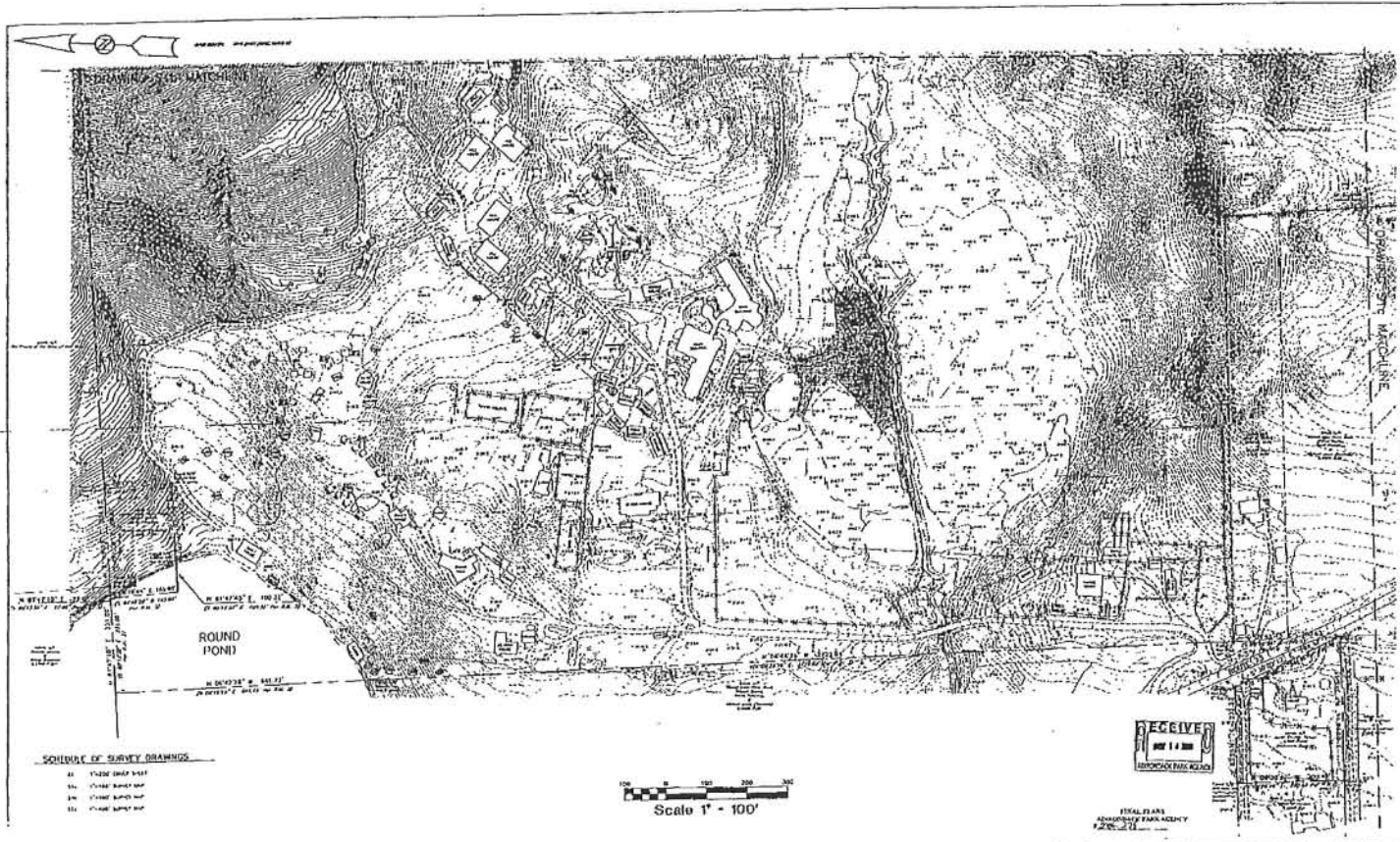
John Culpepper



FINAL PLANS
ADIRONDACK PARK AGENCY
P 2006-278

RECEIVED
NOV 14 2006
ADIRONDACK PARK AGENCY

K: 71 PG: 191 03/21/2007 ADIRON PARK AGENCY Image: 10 01 10



- SCHEDULE OF SURVEY DRAWINGS
- 101 1" X 14" DRAWING SHEET
 - 102 1" X 14" DRAWING SHEET
 - 103 1" X 14" DRAWING SHEET
 - 104 1" X 14" DRAWING SHEET

DATE	DESCRIPTION



NORTH COUNTRY SCHOOL

EAST SIDE OF ROUTE 23
TOWN OF NORTH ELMA, ESSEX COUNTY, NY

MAP OF
BOUNDARY AND TOPOGRAPHIC SURVEY

S1a

PROJECT
DESCRIPTION

DATE	BY

NO. 8

Bk. 76 APA,
Page 236

Essex County
Joseph Provoncha
County Clerk
Elizabethtown, NEW YORK 12932



Instrument Number: 2008-00004371

Recorded On: August 29, 2008

As
Adirondack Park Agency

Parties: A P A

To

NORTH COUNTRY SCHOOL INC

Billable Pages: 12

Recorded By: WALK IN

Num Of Pages: 13

Comment:

**** Examined and Charged as Follows: ****

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12

**** THIS PAGE IS PART OF THE INSTRUMENT ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Essex County, NY

File Information:


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 Cashier / Station: J 3 / Cashier Station 1

Record and Return To:

NORTH COUNTRY SCHOOL INC
 ATTN: JOHN CULPEPPER
 P O BOX 187
 LAKE PLACID NY 12946



Joseph A. Provoncha
 Joseph A Provoncha
 Essex County Clerk

 <p>P.O. Box 99 • Ray Brook, New York 12977 • (518) 891-4050</p>	<p>APA Project Permit 2008-38</p>
	<p>Date Issued: August 26, 2008</p>
<p>In the Matter of the Application of NORTH COUNTRY SCHOOL, INC.</p> <p>for a permit pursuant to §809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before October 27, 2008. Please index this permit in the grantor index under the following names: I. North Country School, Inc.</p>

SUMMARY AND AUTHORIZATION

North Country School, Inc. is granted a permit, on conditions, authorizing the construction of a new two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73, in an areas classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This project may not be undertaken until this permit is recorded in the Essex County Clerk's Office. This permit shall expire unless so recorded on or before October 27, 2008 in the names of all persons listed on the first page hereof and in the names of all owners of record of any portion of the project site on the recordation date.

This project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the foundation and exterior of the new dormitory has been completed.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the applicant to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

*North Country School, Inc.
attn: John Culpepper
P.O. Box 187
Lake Placid, NY
12946*

Project & Permit
No. 2008-38AGENCY JURISDICTION

The project consists of the construction of two new public/semi-public buildings in a Rural Use area, Class B regional projects requiring an Agency permit pursuant to §810(2)(c)(6) of the Adirondack Park Agency Act.

PROJECT SITE

The project site includes a 200±-acre parcel located on the North side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site also includes a 2±-acre parcel located south of Route 73, in an area classified Rural Use and identified on Town of North Elba Tax Map Section 52, Block 1 as Parcel 22. Tax parcel 11 is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School dated February 28, 2003 which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. Tax parcel 22 is described in a deed from Helen Lacy Haskell to North Country School, Inc. dated September 29, 1980, which was recorded November 14, 1990 in the Essex County Clerk's Office in Liber 720 of Deeds at page 130.

PROJECT DESCRIPTION AS PROPOSED

The project as proposed is summarized as follows: On tax parcel 11, located north of NYS Route 73, the construction of a new two-story 7,800± square foot student dormitory [a public/semipublic building] is proposed within the existing campus area and in an area where maintenance garages are currently located. On tax parcel 22, south of NYS Route 73, the construction of a new 2,520 square foot [42' by 60'], 19' tall maintenance garage is proposed to replace to the garage/storage area which will be lost by construction of the new dormitory. Two accessory use open-sided, covered parking structures are also proposed near the new maintenance garage on Lot 22. A principal building right will be transferred from Lot 11 North of the highway to Lot 22 South of the highway for the new maintenance garage [a public/semipublic building].

The dormitory project is shown on 17 sheets of plans prepared by AES Northeast, entitled "North Country School/Camp Treetops Student Residence Building (Site/Civil)" and dated March 7, 2008. These plans include maps of existing and proposed conditions, Site Plan, demolition and landscaping details, lighting and utility plans, grading plans, erosion and sediment control plans, sanitary sewer profile and details. The dormitory project is also shown on a set of architectural plans entitled, "Proposed Student Residence - North

Project & Permit
No. 2008-38

Country School/Camp Treetops" prepared by Stephen Tilly Architects, and dated March 10, 2008.

The new dormitory will house 10-12 students over the school year and also serve as miscellaneous overflow space for "Camp Treetops" summer camp program. The dormitory will also include two "Parental Housing Unit," apartments which are designed to each accommodate up to six people. Housing currently located in the Main Campus Building will be moved to the new dormitory, allowing for more educational program space in the Main Building. Thus some of the new housing in the dormitory will be replacement housing and not additional bed space. The current bed space capacity at the school is 113 for students and faculty combined. After the completion of the proposed project, the total bed space capacity will be 132; for a net gain of 19 bed spaces.

The new dormitory will connect to the existing on-site wastewater treatment system, which was recently installed on the project site pursuant to Agency nonjurisdictional determination J2005-569A. As confirmed by a letter from AES Northeast dated April 4, 2008, the existing wastewater treatment system - which is designed for a maximum flow of 17,500 GPD - can accommodate the existing flow (maximum of 11,300 GPD) and the new dormitory (expected maximum of 3,000 GPD). Further, the proposed development will utilize "green" building design and energy efficient practices such as solar roof panels.

The 2,520± square foot maintenance garage and two accessory covered parking structures on the south side of Route 73 are shown on documents labeled "Attachment H.1" and Attachment H.2" submitted to the Agency on April 14, 2008 and on a site plan entitled "North Country School Maintenance Area" submitted to the Agency on June 4, 2008.

Copies of AES Northeast Sheet C-101, "Site Plan" and the "North Country School Maintenance Area" site plan are attached as a part of this permit for easy reference. The original, full-scale maps and plans referenced in this permit are the official plans for the project.

CONDITIONS

BASED UPON THE FINDINGS BELOW, THE PROJECT IS APPROVED WITH THE FOLLOWING CONDITIONS:

1. The project shall be undertaken as described in the completed application, the Project Description as Proposed and Conditions herein. In the case of conflict, the Conditions control.

Project & Permit
No. 2008-38

Failure to comply with the permit is a violation and may subject the applicant, successors and assigns to civil penalties and other legal proceedings, including modification, suspension or revocation of the permit.

2. This permit is binding on the applicant(s), all present and future owners of the project site and all contractors undertaking all or a portion of the project. Copies of this permit and all the approved maps and plans referred to herein shall be furnished by the applicant(s) to all contractors prior to undertaking the project, and to all subsequent owners or lessees of the project site prior to sale or lease. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2008-38 issued August 26, 2008, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."
3. The Agency may conduct such on-site investigations, examinations, tests and evaluations as it deems necessary to ensure compliance with the terms and conditions hereof. Such activities shall take place at reasonable times and upon advance notice where possible.

Building Location and Size

4. This permit authorizes the construction of the new dormitory, maintenance garage, and accessory parking structures in accordance with the project plans referenced herein. The authorized structures shall be located as shown on the project plans and shall not exceed the footprint sizes, or heights shown on the project plans.

Exterior Lighting

5. Any new free-standing and building mounted outdoor lights shall employ full cut-off fixtures; that is, they shall be fully shielded to direct light downward and not into the sky. The fixtures shall be oriented so as to not cast light toward the highway or adjoining property. The intent is to reduce nighttime light pollution (glare, light trespass and sky glow).

"Critical Environmental Area"

6. No new land use or development shall occur within 150 feet of the edge of the right-of-way of NYS Route 73, or within 1/8 mile of the adjoining NYS lands designated as "Wilderness" area. No trees, shrubs or other woody-stemmed vegetation may be removed within 150 feet of the edge of the highway right-of-way or within 1/8 mile of the adjacent state lands. This condition shall not

be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Visual/Open Space Protection

7. Landscaping shall be undertaken as shown on the project plans. To provide screening of the new structures from potential distant High Peaks views the approved landscaping plans shall be implemented the spring or fall, whichever comes first, immediately following the construction of the foundation of the dormitory authorized herein. Any trees which do not survive or become diseased shall be replaced annually until such time as all of the trees have been established in a healthy growing condition.
8. Exterior building materials and colors shall be earth tone colors as shown the project plans and architectural drawings referenced herein. As proposed, all exterior windows shall be non-glare glass, and no mirror glass or reflective glass shall be used, so as to minimize any potential visual impacts (glare) from distant High Peaks views.

Signage

9. No new free-standing signage is proposed or authorized by this permit.

Storm water Management and Grading

10. Stormwater and erosion controls and site grading shall be undertaken and managed in accordance with the project plans referenced herein.

Wetlands

11. No "regulated activity" as defined in the Agency's Freshwater Wetland Regulations (9 NYCRR Part 578) shall occur on the project site without prior Agency approval. Such activities include, but are not limited to, new land use or development in, subdivision of, clearcutting more than three acres within, or dredging or filling of a wetland, or any other activity, whether or not occurring within the wetland, which pollutes it or substantially impairs its functions, benefits or values.

Energy Use and Conservation

12. At a minimum, the buildings and facilities authorized herein shall comply with the Energy Conservation Construction Code of New York State, 2007 (ECCCNYS-2007), or whatever subsequent version is in effect at the start of the project.

Agency Review of Future Subdivision and Development

13. No further subdivision or land use and development shall occur on the property without first obtaining a jurisdictional determination and, if necessary, a permit from the Agency.

FINDINGS OF FACTBackground/Prior History

1. Tax designation 52.04-1-11 on the north side of Route 73, consists of a preexisting private school and a private summer children's camp in a rural setting, and contains many seasonal and year-round structures including a large main building with living quarters, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, maintenance buildings, etc. Jurisdictional determination J2005-569A determined that replacement of the preexisting on-site wastewater treatment system on the project site did not require an Agency permit. Agency enforcement case E2006-53 resolved the construction of a post 1973 single family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all of the existing structures subject of the enforcement case are deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit. Subsequent Agency permit 2006-278 authorized the construction of a new greenhouse and relocation of an existing greenhouse on the project site. North Country School, Inc. also owns adjacent tax lot 52.04-1-12 (1.4± acres) on the north side of Route 73.
2. Tax designation 52-1-22 on the South side Route 73, is improved by a preexisting single family dwelling and accessory use barn/garage. Agency permit 91-157 authorized the subdivision which resulted in the creation of Lot 22 and adjoining tax parcel 52.004-1-21 as separate lots (although both are owned by North Country School, Inc.). Agency jurisdictional determination J2008-216 determined that the new 2,520 ± square foot maintenance garage proposed on Lot 22 constitutes a new public/semi-public

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building as defined in §802 of the Act. Both Permit 91-157 and jurisdictional determination J2008-216 confirm that there are no principal building rights remaining with Lot 22, and that a principal building must be obtained/transferred from other Rural Use property for the new maintenance garage.

Existing Environmental Setting

3. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in statutory "critical environmental area". Existing vegetation on the North side of Route 73 entirely screens the school and campus area on Lot 11 from the highway; primarily only the sign is visible. Vegetation on the South of Route 73 partially screens the preexisting single family dwelling on Lot 22 from the highway; the preexisting barn on Lot 22 is located close to and visible from the highway.
4. The project site is adjacent to the High Peaks Wilderness area. That portion of the property located within 1/8 mile of the adjoining NYS lands designated as "Wilderness" area is also located in a statutory "critical environmental area".
5. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert landowners and others that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Public Notice and Comment

6. The Agency notified all adjoining landowners and those parties as statutorily required by §809 of the Adirondack Park Agency Act and published a Notice of Complete Permit Application in the Environmental Notice Bulletin. No comments have been received.

Other Regulatory Permits and Approvals

7. A local building permit has been issued and The Town of North Elba/Village of Lake Placid Joint Review Board has approved the project conditional upon a copy of the APA permit being submitted to the Building Department.

PROJECT IMPACTSDensity Calculations

8. Tax designation 52.04-1-11 on the north side of Route 73, includes approximately 200± acres. As shown on an annotated copy of an ABS Northeast Plan submitted to the Agency on June 4, 2008, entitled "North Country School, Cover Sheet For Boundary and Topographic Survey" the preexisting development and preexisting principal buildings on Lot 11 encompass approximately 42± of the 200± acres. Also, 8.5± acres is allocated to a single family dwelling constructed post-1973 [Meadow House circa 1986], which was authorized After-The-Fact by Agency Settlement Agreement E2006-53. The remaining 149.5± acres, on the north side of the highway, have the density potential for approximately 18 principal buildings.

Three (3) principal building rights are allocated to the new dormitory authorized herein [one (1) principal building right for the 12-bed dormitory; and one (1) principal building right for each of the two single family dwelling "Parental Housing Units"]. One (1) principal building right will also be transferred to Tax designation 52-1-22 on the South side Route 73 for construction of the new maintenance garage authorized herein. Therefore, after the projects authorized herein are undertaken, a mathematical potential maximum density of 14 principal building rights remains on tax lot 11. No additional principal building rights remain on tax lot 22. These calculations are based on approximate acreages and not on a formal survey. A formal survey of the entire acreage and existing development would be required for an exact density calculation and could result in different calculations.

Wetlands

9. No new land use or development is proposed in or near wetlands and thus the project as proposed and authorized herein will not involve any loss of wetland acreage, function or the benefits derived therefrom.

Statutory "Critical environmental area"

10. No new land use or development is proposed within the statutory "critical environmental areas" (CEAs). Prohibiting the removal of vegetation within the CEAs will further protect the Sate highway corridor and the adjacent Wilderness area.

Open Space/Aesthetics

11. Very distant views of the project site are seen from adjacent High Peaks - particularly "Cascade" and "Pitchoff". Visual simulations were prepared by the applicant to show how the proposed development will appear from adjacent areas. None or very minimal changes to the existing views of the site from the adjacent High Peaks area will be discernable to the naked eye. Further, requiring that the project and landscaping is undertaken as shown on the project plans, limiting maximum building sizes and heights, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the CEAs.

Operational Issues Affecting Nearby Land Uses

12. The School/Camp hours of operation, traffic, noise, and signage will not be changed as a result of the proposed project and thus there should be no increased impact to nearby land uses.

Historic Sites or Structures

13. In letters dated April 15, 2008 and May 19, 2008, the New York State Office of Parks, Recreation and Historic Preservation stated that the projects authorized herein will have no adverse impact upon cultural resources in or eligible for inclusion in the State and National Registers of Historic places. Therefore, the project as proposed and authorized herein will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR Section 426.2 for the purposes of implementing §14.09 of the New York State Historic Preservation Act of 1980.

CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval as set forth in §809(10) of the Adirondack Park Agency Act (Executive Law, Article 27) and 9 NYCRR Part 574. The Agency hereby finds that the project is approvable and complies with the above criteria, provided it is undertaken in compliance with the conditions herein.

PERMIT issued this 26 day
of August, 2008

ADIRONDACK PARK AGENCY

BY: MARK E. SENGENBERGER
Mark E. Sengenberger
Deputy Director (Regulatory Programs)

STATE OF NEW YORK)
) ss.:
COUNTY OF ESSEX)

On the 26 day of August in the year 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared Mark E. Sengenberger, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

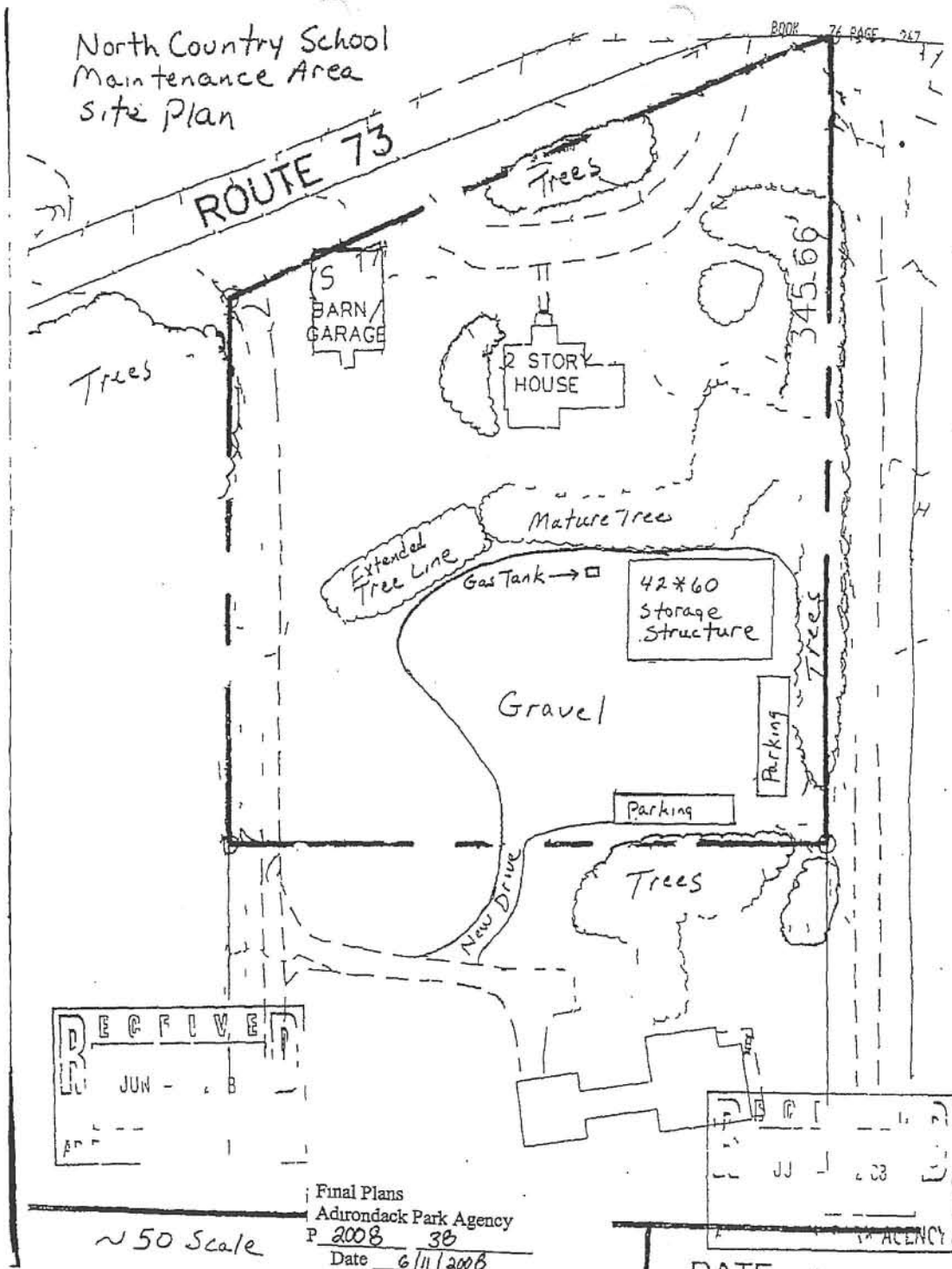
Mary L. Reardon
Notary Public

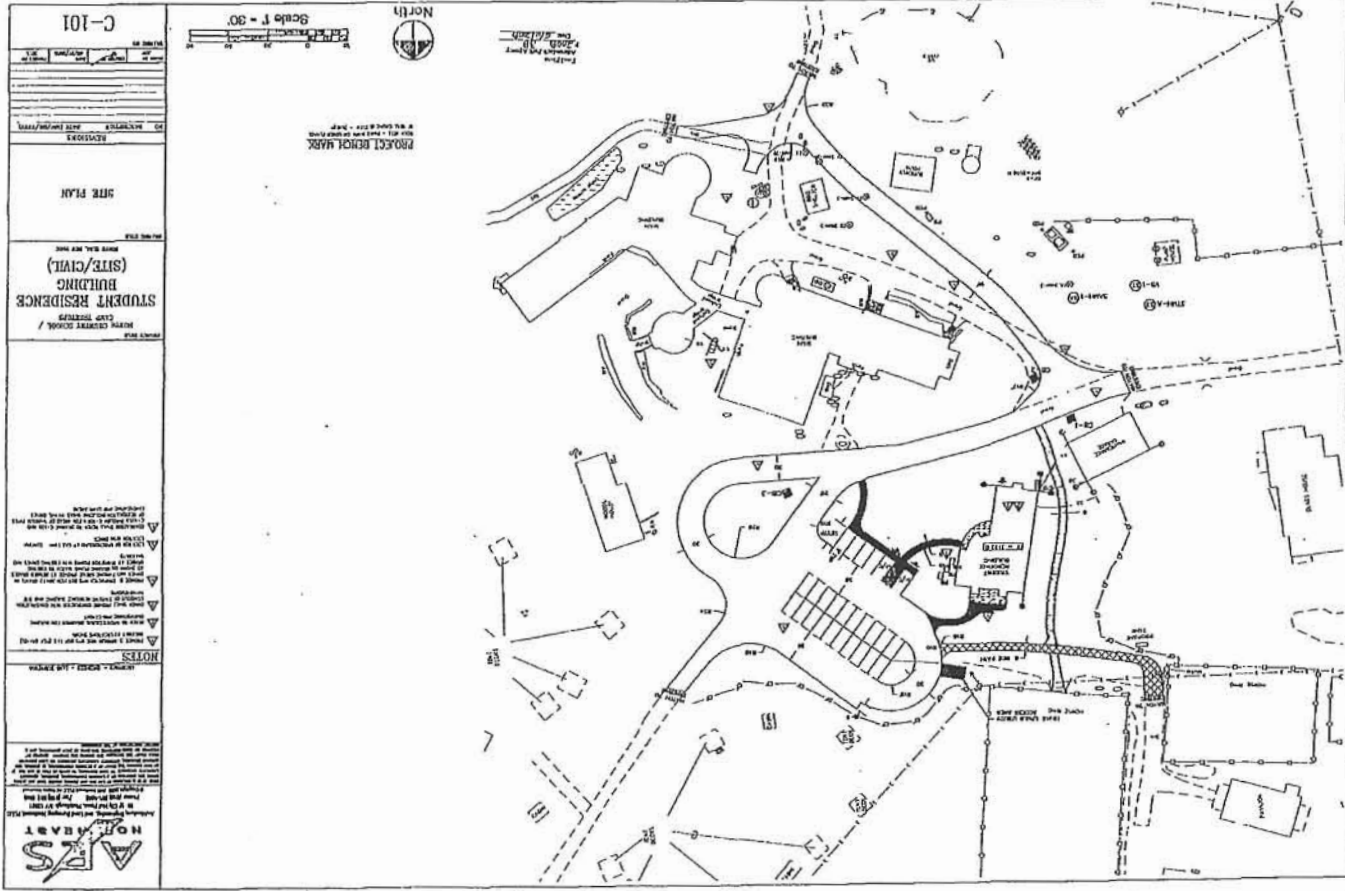
MES:CCP:mlr

MARY L. REARDON
Notary Public - State of New York
Qualified in Essex County
No. 01RE6114798
Commission Expires Aug. 23, 20 13

North Country School
Maintenance Area
Site Plan

BOOK 76 PAGE 247





No. 9

: 91 PG: 129 05/30/2012 ADIRON PARK AGENCY Image: 1 of 16



ESSEX COUNTY - STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE
THIS PAGE IS PART OF THE DOCUMENT - DO NOT DETACH



Recording:
Cover Page 5.00
Recording Fee 95.00
Additional Names 0.50
Cultural Ed 14.25
Records Management - Coun 1.00
Records Management - Stat 4.75

RECEIPT NO. : 2012101619

Clerk: BM
Instr #: 2012-2270
Book/Pg: 91 / 129
Rec Date: 05/30/2012 09:43:00 AM
Doc Grp: APA
Descrip: ADIRON PARK AGENCY
Num Pgs: 16
Rec'd Frm: JAMES BROOKS

Total: 120.50
**** NOTICE: THIS IS NOT A BILL ****

Party1: A P A
Party2: NORTH COUNTRY SCHOOL INC/CAMP
TREETOPS
Town: NORTH ELBA

NOTE: PERMIT NO. 2011-178 NOT FOUND OF RECORD.


I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.

Record and Return To:

JAMES M BROOKS
72 OLYMPIC DRIVE
LAKE PLACID NY 12946

Joseph A. Provoncha
Essex County Clerk

THIS IS A TWO SIDED DOCUMENT
THIS PERMIT AMENDS PERMIT 2011-178 ISSUED February 27, 2012

 <p>Adirondack parkagency P.O. Box 99 • Ray Brook, New York 12977 (518) 891-4050 www.apa.ny.gov</p>	<p>APA Project Permit 2011-178A</p>
<p>In the Matter of the Application of NORTH COUNTRY SCHOOL, INC./CAMP TREETOPS for a permit pursuant to §809 of the Adirondack Park Agency Act</p>	<p>Date Issued: May 25, 2012</p> <p>To the County Clerk: This permit must be recorded on or before July 23, 2012. Please index this permit in the grantor index under the following names: 1. North Country School, Inc./ Camp Treetops</p>

SUMMARY AND AUTHORIZATION

North Country School, Inc./Camp Treetops is granted an amended permit, on conditions, authorizing the expansion of a dining hall in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This project may not be undertaken, and no transfer deed shall be recorded, until this permit is recorded in the Essex County Clerk's Office. This permit shall expire unless so recorded on or before July 23, 2012 in the names of all persons listed on the first page hereof and in the names of all owners of record of any portion of the project site on the recordation date.

This project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the expansion as authorized herein has been completed.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the applicant to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

RR: *James M. Brooks*
72 Olympic Drive
Lake Placid NY 12946

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AGENCY JURISDICTION

The project consists of a greater than 25 percent expansion of a public building, a Class B regional project requiring an Agency permit pursuant to §810(2)(c)(6) and (18) of the Adirondack Park Agency Act.

PROJECT SITE

The project site includes a 200+-acre parcel located on the North side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site also includes a 2+-acre parcel located south of Route 73, in an area classified Rural Use and identified on Town of North Elba Tax Map Section 52, Block 1 as Parcel 22. Tax parcel 11 is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School, Inc. dated February 28, 2003 which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. Tax parcel 22 is described in a deed from Helen Lacy Haskell to North Country School, Inc. dated September 29, 1980, which was recorded November 14, 1990 in the Essex County Clerk's Office in Liber 720 of Deeds at page 130.

PROJECT DESCRIPTION AS PROPOSED

The project as proposed is summarized as follows: the expansion of the pre-1973 "Main House Dining Hall" building by approximately 56 percent. The pre-existing dining hall is approximately 2,882 square feet and an expansion of approximately 1,627 square feet is proposed, which will result in the new expanded dining hall measuring approximately 4514± square feet. The "Main House Dining Hall" is used seasonally, from Memorial Day to Labor Day by "Camp Treetops", and it does not serve as a dining hall for North Country School.

The dining hall seating area will be reconfigured and expanded by approximately 1000 square feet, from 1453 sq.ft. to 2425 sq.ft. New decking and stairs will be added to the building. The food preparation and refrigeration areas will be expanded and two new bathrooms and three new sinks will be added. The laundry will be moved from another location on campus into the expanded dining hall. The applicant has indicated that the expansion is proposed to facilitate a better, safer and more comfortable dining area and is not being proposed to accommodate an increase in patrons at Camp Treetops. The daily number of dining hall users is expected to remain the same.

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The proposed project is shown on 10 Sheets of drawings entitled "North Country School/Camp Treetops: Main House Extension" prepared by Stephen Tilly, Architect, dated September 1, 2011, with Sheets T-100 (Title Sheet), T-101 (Site Plan), T-102 (Site Plan), T-110 (Topographical Map), A-101 (Floor Plan), A-105 (Roof Plan), A-201 (Elevations) and A-202 (Elevations) revised October 7, 2011, and Sheets T-103 (Erosion and Sediment Control Plan) and T-104 (Erosion and Sediment Control Plan Details) revised November 11, 2011. A reduced-scale copy of sheets T-101, T-102, and A-101 are attached as a part of this permit for easy reference. The original, full-scale maps and plans referenced in this permit are the official plans for the project.

CONDITIONS

BASED UPON THE FINDINGS BELOW, THE PROJECT IS APPROVED WITH THE FOLLOWING CONDITIONS:

1. The project shall be undertaken as described in the completed application, the Project Description as Proposed and Conditions herein. In the case of conflict, the Conditions control. Failure to comply with the permit is a violation and may subject the applicant, successors and assigns to civil penalties and other legal proceedings, including modification, suspension or revocation of the permit.
2. This permit is binding on the applicant(s), all present and future owners of the project site and all contractors undertaking all or a portion of the project. Copies of this permit and the site plan map(s) referred to herein shall be furnished by the applicant to all subsequent owners or lessees of the project site prior to sale or lease, and by the applicant or any subsequent owner or lessee undertaking construction to any contractors undertaking any portion of this project. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2011-178A issued May 25, 2012 the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."
3. The Agency may conduct such on-site investigations, examinations, tests and evaluations as it deems necessary to ensure compliance with the terms and conditions hereof. Such activities shall take place at reasonable times and upon advance notice where possible.

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Building Location and Size

4. This permit authorizes the expansion of the dining hall in accordance with the project plans referenced herein. The authorized expansion shall be located as shown on the project plans and shall not exceed the footprint size, or height shown on the project plans.

Exterior Lighting

5. Any new free-standing and building-mounted outdoor lights shall employ full cut-off fixtures; that is, they shall be fully shielded to direct light downward and not into the sky. The fixtures shall be oriented so as to not cast light toward the highway or adjoining property. The intent is to reduce nighttime light pollution (glare, light trespass and sky glow).

"Critical Environmental Area"

6. No new land use or development shall occur within 150 feet of the edge of the right-of-way of NYS Route 73, or within 1/8 mile of the adjoining NYS lands designated as "Wilderness" area, without first obtaining a new or amended Agency permit.

No trees, shrubs or other woody-stemmed vegetation shall be removed within 25 feet of the edge of the highway right-of-way or within 25 feet of the adjacent state land Wilderness area, unless a new or amended permit is obtained. Outside of the 25 foot vegetative buffer, the selective removal of vegetation on the project site shall be undertaken in accordance with the "Forest Management Plan for the North Country School Camp Tree Tops Forest," prepared by Dan Gilmore Forester, Residents' Committee to Protect the Adirondacks and dated February 19, 2007, and shall be undertaken such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained. In no case shall the removal of vegetation result in development on the project site becoming more visible from the State land Wilderness area or NYS Route 73. These conditions shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Any changes or updates to the Forest Management Plan shall be submitted to the Agency for review to ensure the changes do not result in adverse impacts to the critical environmental areas and to determine if the revised plan requires a new or amended Agency permit.

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Visual/Open Space Protection

7. Exterior building materials and colors shall be earth tone colors as shown the project plans referenced herein. As proposed, all exterior windows shall be non-glare glass, and no mirror glass or reflective glass shall be used, so as to minimize any potential visual impacts (glare) is seen from the summits neighboring state lands.

Signage

8. No new free-standing signage is proposed or authorized by this permit.

Stormwater Management and Grading

9. Stormwater and erosion controls and site grading shall be undertaken and managed in accordance with the project plans referenced herein.

Wastewater Treatment

10. Upon recordation of this permit, the project sponsor shall obtain services from a New York State Licensed Professional Engineer to evaluate wastewater treatment facility performance including, at a minimum, obtaining accurate flow numbers for all periods of operation. The evaluation shall be submitted for Agency review no later than 90 days from permit recordation. The Agency shall coordinate review of the engineer's evaluation with NYSDEC and the project sponsor shall implement any recommended improvements within a time frame specified by the Agency and NYSDEC.

Wetlands

11. No "regulated activity" as defined in the Agency's Freshwater Wetland Regulations (9 NYCRR Part 578) shall occur on the project site without prior Agency approval. Such activities include, but are not limited to, new land use or development in, subdivision of, clearcutting more than three acres within, or dredging or filling of a wetland, or any other activity, whether or not occurring within the wetland, which pollutes it or substantially impairs its functions, benefits or values.

Energy Use and Conservation

12. The facilities authorized herein shall at minimum, comply with the Energy Conservation Construction Code of New York State, 2007 (ECCCNYS-2007), or whatever subsequent version is in effect at the start of the project.

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Agency Review of Future Subdivision and Development

13. No further subdivision or land use and development shall occur on the property without first obtaining a jurisdictional determination and, if necessary, a permit from the Agency. This condition amends and supersedes Condition 13 in Agency permit 2008-38.

Shoreline Cutting

14. With regard to the shoreline of Round Lake, the following minimum shoreline vegetative cutting restrictions shall apply:
 - a. within 35 feet of the mean high water mark, not more than 30% of trees in excess of six inches diameter at breast height shall be removed over any 10 year period, and
 - b. within six feet of the mean high water mark, no vegetation shall be removed, except that up to a maximum of 30% of the shorefront may be cleared of vegetation on any individual lot.

This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Legal Interests of Others

15. This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to undertake the authorized project or subdivision, nor does it authorize the impairment of any easement, right, title or interest in real or personal property held or vested in any person.

FINDINGS OF FACT

Background/Prior History

1. Tax designation 52.04-1-11 on the north side of Route 73, consists of a pre-existing private school ("North Country School") and a private summer children's camp ("Camp Treetops") in a rural setting, and contains many seasonal and year-round structures including a large main building with living quarters, dormitory, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, maintenance buildings, etc.
2. Jurisdictional determination J2005-569A determined that replacement of the pre-existing on-site wastewater treatment system on the project site did not require an Agency permit. Agency enforcement case E2006-53 resolved the construction of a

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post-1973 single family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all of the existing structures subject of the enforcement case are deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit. Subsequent Agency Permit 2006-278 authorized the construction of a new greenhouse and relocation of an existing greenhouse on the project site. Agency Permit 2008-38 authorized the construction of a new, two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73. Agency Permit 2008-38 explains density calculations for the entire project site.

3. North Country School, Inc. also owns adjacent tax lot 52.04-1-12 (1.4± acres) on the north side of Route 73. On the South side of Route 73, North Country School, Inc. owns Tax designation 52-1-22. Agency Permit 91-157 authorized the subdivision which resulted in the creation of Lot 22 and adjoining tax parcel 52.004-1-21 as separate lots (although both are owned by North Country School, Inc.).

Existing Environmental Setting

4. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in statutory "critical environmental area". Existing vegetation on the north side of Route 73 screens the school and campus area on Lot 11 from the highway; primarily only the sign is visible.
5. The project site is adjacent to the Sentinel Range Wilderness area. That portion of the property located within 1/8 mile of the adjoining NYS lands designated as "Wilderness" area is also located in a statutory "critical environmental area".
6. Round Lake is partially located in the northwest corner of the project site. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert landowners and others that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

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Public Notice and Comment

7. The Agency notified all adjoining landowners and those parties as statutorily required by §809 of the Adirondack Park Agency Act and published a Notice of Complete Permit Application in the Environmental Notice Bulletin. No comments have been received.

Other Regulatory Permits and Approvals

8. A local building permit will be required for the dining hall expansion, and the Local Government Notice Form signed on September 18, 2011 indicates that the proposed expansion is an allowable use under the local code.
9. New York State Department of Health approval will be required for the expanded food service area.
10. The community wastewater treatment plant which serves the existing dining hall is permitted by New York State Department of Environmental Conservation (NYSDEC) SPDES Permit No. 012 9992.

PROJECT IMPACTS

Water Resources

11. The existing dining hall is served by a community wastewater treatment plant consisting of an aboveground sand filter with ultraviolet disinfection and a surface water discharge. The wastewater treatment plant is permitted by NYSDEC (SPDES No. 012 9992) which includes a capacity of 17,200 gallons per day. According to the applicant, the expansion of the dining hall will not result in any increase in flows to the wastewater treatment plant. Agency staff met with NYSDEC staff to coordinate review of the project and assess potential impacts on the wastewater treatment plant. NYSDEC has inspected the facility and is working with the facilities manager to bring the wastewater treatment plant into compliance with the existing SPDES permit. Requiring evaluation of wastewater treatment facility performance by a licensed professional engineer and providing accurate flow numbers at the plant for all periods of operation will assist in obtaining compliance with the existing SPDES permit and thereby protect water quality and public health. In addition, having the project sponsor implement any recommended improvements to the plant in consultation with the Agency and NYSDEC will also protect water quality and public health.

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Wetlands

12. No new land use or development is proposed in or near wetlands and thus the project as proposed and authorized herein will not involve any loss of wetland acreage, function or the benefits derived therefrom.

Statutory "Critical Environmental Areas"

13. No new land use or development is proposed within the statutory "critical environmental areas" (CEAs). As amended herein, requiring that selective removal of vegetation is done in accordance with the forest management plan and does not increase visual impacts or change the character of the area, as well as maintaining a 25 foot no cut buffer will all help to protect the State highway corridor and the adjacent Wilderness area from adverse impacts.

Open Space/Aesthetics

14. Very distant views of the project site are seen from adjacent Wilderness area - particularly "Cascade" and "Pitchoff". None or very minimal changes to the existing views of the site from the adjacent Wilderness area will be discernable to the naked eye. Further, requiring that the project is undertaken as shown on the project plans, limiting maximum building size and height to those shown on project plans, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the CEAs.

Operational Issues Affecting Nearby Land Uses

15. The School/Camp hours of operation, number of campers, traffic, noise, and signage will not be changed as a result of the proposed project and thus there should be no increased impact to nearby land uses.

Historic Sites or Structures

16. By a letters dated November 15, 2011, the New York State Office of Parks, Recreation and Historic Preservation stated that the project authorized herein will have no adverse impact upon cultural resources in or eligible for inclusion in the State and National Registers of Historic places. Therefore, the project as proposed and authorized herein will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR Section 426.2 for the purposes of implementing §14.09 of the New York State Historic Preservation Act of 1980.

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Amendments

17. By letter dated April 5, 2012, and subsequent information provided on May 3, 2012 and May 14, 2012, a request was made to amend Conditions 6 and 13 of Adirondack Park Agency Permit 2011-178.
18. It was requested that Condition 6 be amended to allow for new land use or development to be undertaken within the statutory critical environmental areas without obtaining a new or amended permit. Pursuant to §§810(1)(d)(1) and 809(2)(a) of the Adirondack Park Agency Act all land use and development within a statutory "critical environmental area" requires an Agency permit as a Class A Regional Project. Therefore, Condition 6 cannot be amended to suggest that a nonjurisdictional letter could be obtained for new land use or development within the statutory "critical environmental area". However, Condition 6 has been amended herein to state that "a new or amended Agency permit may be requested for any subdivision or new land use and development within the statutory critical environmental area.
19. It was also requested that Condition 6 be amended to allow for selective removal of trees within the statutory "critical environmental areas" as restricting the removal of all vegetation within 1/8 mile of the adjacent state land wilderness area and within 150 feet of the state highway right-of-way results in a large portion of the project site not being available for timber harvesting. To support the requested cutting amendment, North Country School submitted a copy of their "Forest Management Plan for the North Country School Camp Tree Tops Forest," prepared by Dan Gilmore Forester, Residents' Committee to Protect the Adirondacks and dated February 19, 2007. As described therein and also described in a letter from North Country School dated May 7, 2012, the timber harvesting practices on the project site use small scale and low impact techniques and equipment, such as extracting wood using an ATV with rubber tracks or using small tractors on existing trails, and cutting mostly during the winter months when the ground is frozen and snow covered. As further described in the May 7th letter, the applicant's current goal is to reduce the campus consumption of fuel oil for heating purposes by replacing oil with biomass fuel burned in wood gasification boilers. It is noted that the Forest Management Plan referenced herein erroneously states there are no wetlands on the property; as described in Finding 6 herein, there are jurisdictional wetlands on the project site.

Condition 6 has been amended to allow for selective removal of vegetation on the project site provided such is undertaken in accordance with the Forest Management Plan referenced herein and provided no trees, shrubs or other woody-stemmed vegetation is removed within 25 feet of the edge of the highway right-of-way or

Project & Permit
2011-178A

within 25 feet of the adjacent state land Wilderness area, unless a new or amended permit is obtained. Provided that selective removal of vegetation is undertaken as conditioned herein and such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained, then adverse impacts will be avoided.

19. The requested amendment to Condition 13 was to add the following language to it, "This condition amends and supersedes Condition 13 in Agency permit 2008-38." Condition 13 has been amended as requested. Also, as noted herein, pursuant to Settlement Agreement E2006-53, the applicant agreed that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.
20. The requested amendments as authorized herein do not involve a material change in permit conditions, the applicable law, environmental conditions or technology since the issuance of Permit 2011-178, therefore, the request is being processed pursuant to §809(8)(b)(1) of the Adirondack Park Agency Act.


CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval as set forth in: §809(10) of the Adirondack Park Agency Act (Executive Law, Article 27) and 9 NYCRR Part 574. The Agency hereby finds that the project is approvable and complies with the above criteria, provided it is undertaken in compliance with the conditions herein.

Project & Permit
2011-178A

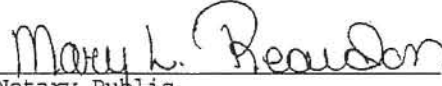
PERMIT issued this 25 day
of May, 2012

ADIRONDACK PARK AGENCY

BY: 
Richard E. Weber, III Deputy Director
(Regulatory Programs)

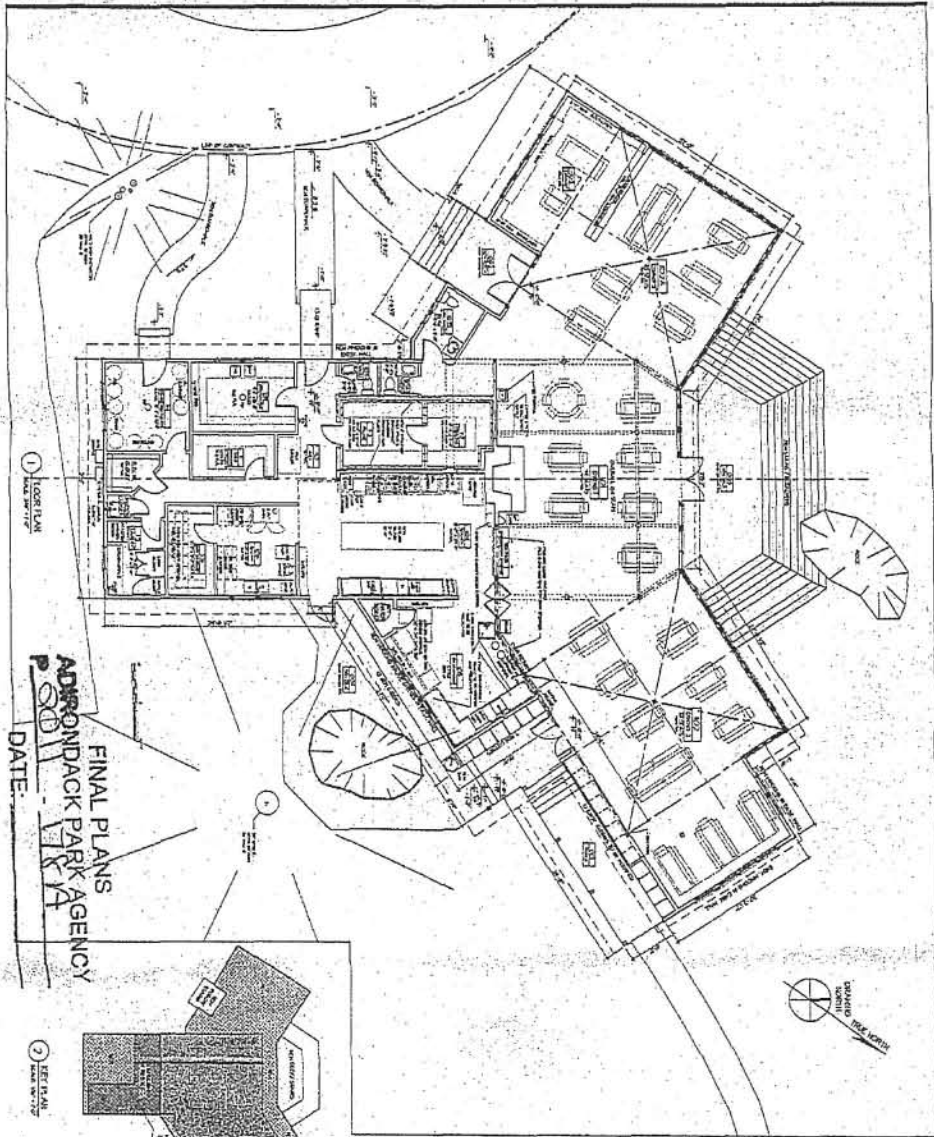
STATE OF NEW YORK)
) ss.:
COUNTY OF ESSEX)

On the 25 day of May in the year 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard E. Weber III personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

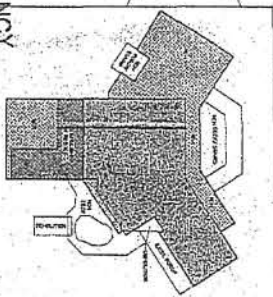

Notary Public

REW:CCP:mlr

MARY L. REARDON
Notary Public - State of New York
Qualified in Franklin County
No. 01RES114798
Commission Expires, August 23, 20 12



FINAL PLANS
ADIRONDACK PARK AGENCY
DATE: 11/14



1 FLOOR PLAN
2 SITE PLAN

A-101

STEPHEN TILLY,
Architect
1000 West 10th Street
Sault Ste. Marie, Michigan 49783
418-339-1111
www.still.com

Project No. 03-001
Date: 11/14/01

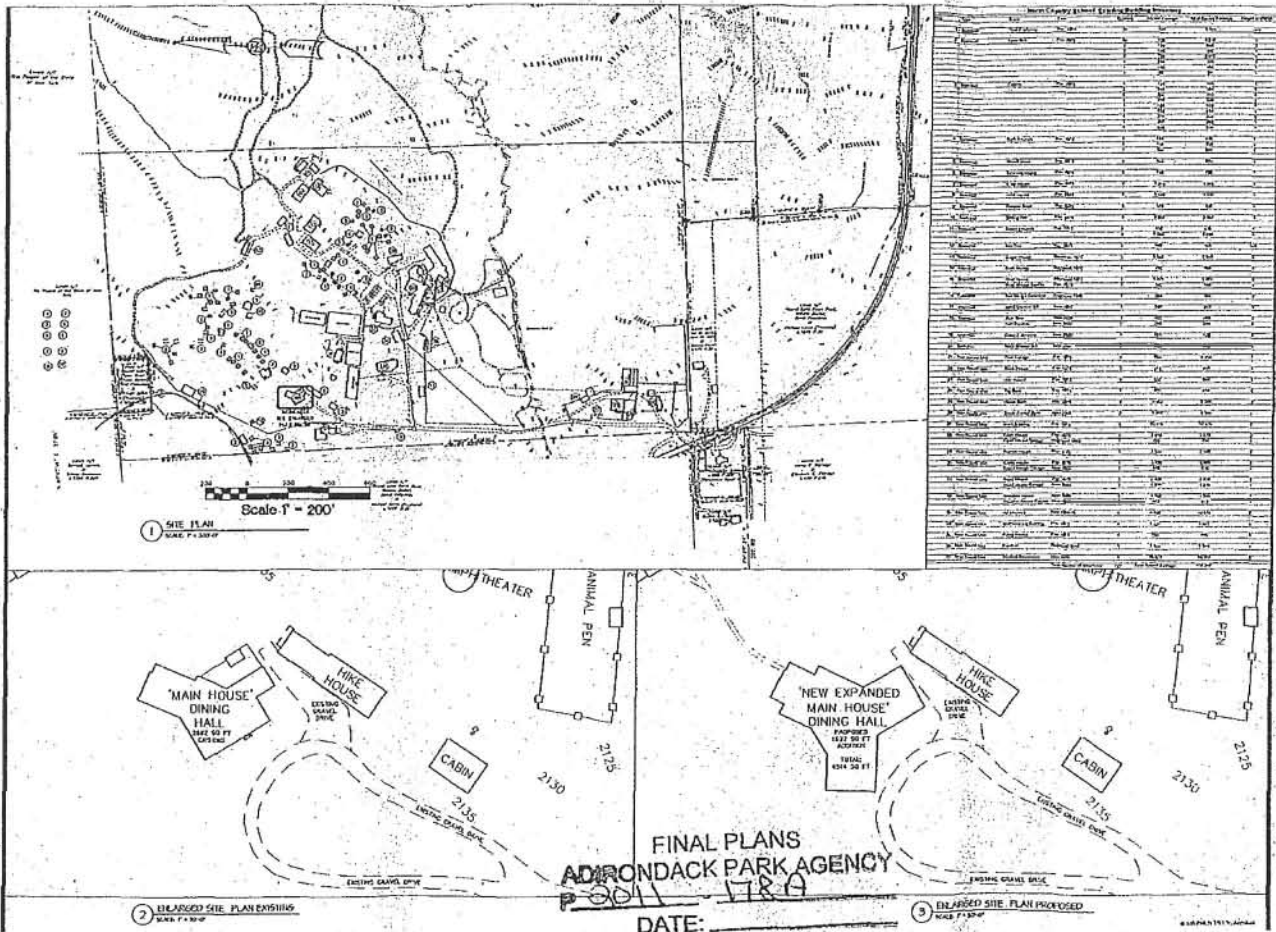
For Use: Building
Restrictions:

Client: Adirondack
Architect:

Project: North Camp School/
Camp Renovation
Main House Extension
4301 Camp Road
Lake Placid, NY 12946

Date: 01 September 2011
Title: FLOOR PLAN
Code: A1100110
Drawn by: [illegible]

11/14/01



STEPHEN TILLY,
 Architect
 21 New Ave.
 Dutchess County, New York 12522
 TEL: 518/487-3400 FAX: 518/487-3402
 email: stilly@stephentilly.com

STRUCTURAL ENGINEER
 Building Department
 100 State St.
 Albany, NY 12242
 Tel: 518/487-3400

MECHANICAL & ELECTRICAL ENGINEER
 GEORGE A. VON H. ARBARTZIS
 CONSULTING ENGINEERS
 100 State St.
 Albany, NY 12242
 Tel: 518/487-3400

Final Plan
 Adirondack Park Agency
 P. 2011-178A

Scale: 1" = 200'

Project: Adirondack Park Agency
 Main House Extension

Date: #1 September 2011
 Title: LOCATION 1 SITE PLAN
 Scale: AS SHOWN
 Drawn by: JH

LOCATION 1 SITE PLAN
T-101

DWG: 21.001: 178A: 001/001/2012: ADIRONDACK PARK AGENCY: IMAGE: 13 OF 15

FINAL PLANS
 ADIRONDACK PARK AGENCY
 P. 2011-178A
 DATE: _____



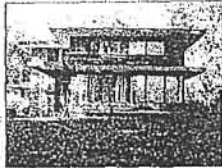
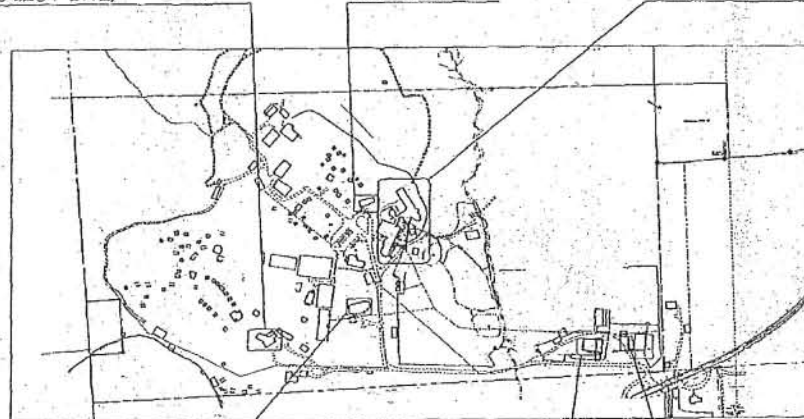
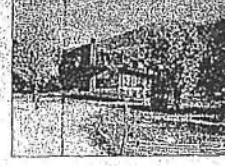
MAIN HOUSE (PROJECT SITE)



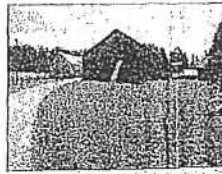
WOODS HOUSE



MAIN SCHOOL BUILDING



GLASS HOUSE



HORSE BARN



FINAL PLANS
ADIRONDACK PARK AGENCY
P 2011-118A

DATE: _____

STEPHEN TILLY,
Architect
22 Elm Street
Burlington, New York 13022
Tel: (518) 637-8878 Fax: (518) 637-8879
email: stilly@stillyarchitect.com

518/637-8878
Building Structural Engineering
Services LLC
22 Elm Street
Burlington, NY 13022
www.stillyarchitect.com

MEMBER IN THE PROFESSIONAL SOCIETY
OF ARCHITECTS, ADIRONDACK
COUNTY, NEW YORK STATE
1800000047
NEW YORK, NY 10012
645 0101 010000 000000

Scale: 1/8" = 300'

Project: South County School /
Camp Forest /
Main House Extension

Address: 4182 Cascade Road
Lake Placid, New York
12946-0187

Date: 01 September 2011
Title: 2011-118A FINAL
DRAWINGS FOR PERMITS
STATUS: 06/06/2011
Scale: 1/8" = 300'
Drawn by: ST

LOCATIONS / SITE PLAN

T-102

ADIRONDACK PARK AGENCY

No. 10

BK: 1626 PG: 150 12/22/2009 EASEMENT Image: 1 of 6

Essex County
Joseph Provoncha
County Clerk
Elizabethtown, NEW YORK 12932



Volm-1626 Pg-150

Instrument Number: 2009- 00005831

As

Easement

Recorded On: December 22, 2009

Parties: ROUND LAKE FARM TRUST

To

NORTH COUNTRY SCHOOL

Billable Pages: 5

Recorded By: JAMES M BROOKS

Num Of Pages: 6

Comment: PURP 52.04-1-13

** Examined and Charged as Follows: **

Easement	65.00	Coversheet	5.00	TP584 Affidavit	5.00
Recording Charge:	75.00				
	Amount	Consideration Amount	RS#/CS#		
Transfer Tax	0.00	0.00	708	Basic	0.00
NORTH ELBA				Local	0.00 Special Additional
				Additional	0.00 Transfer
Tax Charge:	0.00				

Index _____
Verify _____
Copy/Dis _____
Scan _____

[Signature]

** THIS PAGE IS PART OF THE INSTRUMENT **

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Essex County, NY

File Information:

Document Number: 2009- 00005831

Receipt Number: 71345

Recorded Date/Time: December 22, 2009 09:52:00A

Book-Vol/Pg: Bk-D VI-1626 Pg-150

Cashier / Station: J 13 / Cashier Station 1

Record and Return To:

LAW OFFICE OF JAMES M BROOKS

72 OLYMPIC DRIVE

LAKE PLACID NY 12946



Joseph A. Provoncha

Joseph A Provoncha
Essex County Clerk

EASEMENT/RIGHT-OF-WAY

This easement/right-of-way indenture made this 5th day of December,

2009 by and between:

ROUND LAKE FARM TRUST, with an office for the transaction of its business at 4413 Cascade Road, Lake Placid, Essex County, New York, 12946, as Grantor, by William Dexter and David Potsabay, Trustees,

and

NORTH COUNTRY SCHOOL, a New York Corporation with offices at 4382 Cascade Road, P.O. Box 187, Lake Placid, Essex County, New York, 12946, as Grantee

Round Lake Farm Trust is the owner of certain premises located at Cascade Road, Lake Placid, Town of North Elba, Essex County, New York, herein referred to as "Grantor's premises", such being more particularly described in that certain deed dated the 18th day of August, 1995, and recorded in the Essex County Clerk's Office in Book 1095 at page 38 on the 5th day of September, 1996, and by this indenture hereby declares and burdens that particular portion of said premises hereinafter further described with the following easement/right-of-way for the benefit of the premises of Grantee, its successors and assigns.

Grantee is the owner of certain premises located at Cascade Road, Lake Placid, Town of North Elba, Essex County, New York, located generally northeasterly of the above-described premises of Grantor, the premises of Grantee to be benefitted by the easement/right-of-way herein granted being more particularly described in those certain deeds both dated the 27th day of November, 1957, and recorded in the Essex County Clerk's Office in Book 355 of Deeds at page 115 on the 3rd day of December, 1957 and in

R/R to : LAW OFFICE OF - JAMES M. BROOKS - 72 OLYMPIC DRIVE - LAKE PLACID, NEW YORK 12946

Book 356 of Deeds at page 342 on the 28th day of January, 1958, and more particularly referred to herein as "Grantee's campus premises".

Grantor, in consideration of friendship and good neighborliness to Grantee and other good and valuable consideration, given by Grantee to Grantor, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presence does grant, bargain, sell and convey to Grantee, at the sole expense of Grantee, the rights to construct, install, alter and maintain a twenty (20) feet width conduit trench easement area of approximately fifteen hundred (1,500) feet in length over the premises of Grantor for the placement of numerous lines of underground conduit for the transmission of electric power and information transmission conduit services of suppliers of such utilities, private or municipal, for use on and throughout the campus premises of North Country School located on the north side of NYS Route 73 (Cascade Road) in the Town of North Elba, County of Essex, State of New York, as more particularly situated in the Town of North Elba tax map parcel #52.04-1-11, said conduit trench easement to extend across the premises of Grantor starting from an area at and about the southeasterly corner of that portion of the premises of Grantor situated on the northerly side of NYS Route 73 in North Elba tax map parcel #52.04-1-13 where said corner of Grantor's premises abuts the northerly shoulder of NYS Route 73, being the same area where existing municipal power poles and lines now exist, and from said shoulder area then proceeding in a generally easterly direction in an approximate straight course on and over the lands of Grantor now generally used for purposes of pasture and for an access path to intersection with the

westerly boundary line of the premises of Grantee in tax parcel #52.04-1-11 and the easterly boundary line of the premises of Grantor in tax parcel 52.04-1-13. The centerline of the twenty (20) feet wide conduit trench easement and right-of-way area shall be the center of the electric power conduit line placed within said conduit trench as it crosses the premises of Grantor, the width of said right-of-way and easement area for its length on and over the premises of Grantor to be ten (10) feet on each side measured from said centerline. The conduit shall be placed at a depth under the surface of the ground so that no conduit is visible or easily accessed by persons or animals. Grantee shall be entitled to install and thereafter maintain, repair and replace at ground level as flush to the surface of the ground as required for safe practices for the purposes of such conduit appropriate numbers of pull boxes and related devices necessary for such conduit placement, all such devices to be located within said twenty (20) feet wide easement area.

Grantee and authorized service staff of its providers of such utility services utilizing said conduit shall have the right to enter and depart on and over said twenty (20) feet wide easement area for installation, maintenance and repair of said conduit and its related devices; all such persons shall exercise such right in a manner as will occasion the least practicable damage and inconvenience to the land and rights of Grantor, its successors and assigns.

The provisions of this easement and right-of-way will inure to the benefit of and bind the successors and assigns of the respective parties to it hereafter, it being a permanent easement and right-of-way for the purpose stated, and for no other purpose.

In witness whereof, the parties have signed this agreement the date and year set forth.

Round Lake Farm Trust

By: [Signature]
William Dexter, Trustee, Grantor

By: [Signature]
David Potsubay, Trustee, Grantor

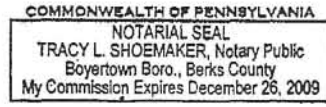
North Country School

By: [Signature]
David Hochschartner, Headmaster,
Grantee

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF Berks)

On the 20th day of November in the year 2009, before me, the undersigned, personally appeared **WILLIAM DEXTER, Trustee**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in Berks County, State of Pennsylvania.

[Signature]
Notary Public



STATE OF NEVADA)
) ss.:
COUNTY OF CLARK)

On the 1 day of Dec in the year 2009, before me, the undersigned, personally appeared **DAVID POTSUBAY, Trustee**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in Clark County, State of Nevada.

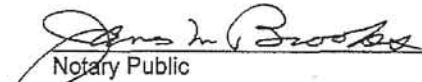


Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF ESSEX)



On the 5th day of December in the year 2009, before me, the undersigned, a Notary Public in and for the State, personally appeared **DAVID HOCHSCHARTNER, Headmaster**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

JAMES M. BROOKS
Notary Public, State Of New York
No. 16-0436935
Qualified in Essex County
Commission Expires November 13, 2010

No. 11

PK: 107 PG: 327 07/30/2018 ADIRON PARK AGENCY Image: 1 of 11



ESSEX COUNTY – STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



Recording:

Cover Page	5.00
Recording Fee	70.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

Total: 95.00
**** NOTICE: THIS IS NOT A BILL ****

BOOK/PAGE: 107 / 327
INSTRUMENT #: 2018-2981

Receipt#: 2018200338
Clerk: BL
Rec Date: 07/30/2018 10:05:00 AM
Doc Grp: APA
Descrip: ADIRON PARK AGENCY
Num Pgs: 11
Rec'd Frm: SABBOW

Party1: A P A
Party2: NORTH COUNTRY SCHOOL INC
Town: NORTH ELBA

I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.

Handwritten signature of Joseph A. Provoncha in cursive.


Joseph A. Provoncha
Essex County Clerk

Record and Return To:

NORTH COUNTRY SCHOOL INC
4382 CASCADE RD
LAKE PLACID NY 12946

Notice Information may change during the
verification process and may not be reflected on this
page

THIS IS A TWO-SIDED DOCUMENT

 <p>NEW YORK STATE OF OPPORTUNITY.</p> <p>Adirondack Park Agency</p> <p>P.O. Box 99, 1133 NYS Route 86 Ray Brook, New York 12977 Tel: (518) 891-4050 Fax: (518) 891-3938 www.apa.ny.gov</p>	<p>APA Project Permit 2018-0018</p>
	<p>Date Issued: July 25, 2018</p>
<p>In the Matter of the Application of NORTH COUNTRY SCHOOL, INC. CAMP TREETOPS</p> <p>for a permit pursuant to § 809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before September 24, 2018. Please index this permit in the grantor index under the following names: 1. North Country School, Inc. 2. Camp Treetops</p>

SUMMARY AND AUTHORIZATION

This permit authorizes the construction of a 1000± square foot public use building to be used as a "teaching-learning kitchen" on the North Country School/Camp Treetops campus in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This permit shall expire unless recorded in the Essex County Clerk's Office on or before September 24, 2018, in the names of all persons listed above and in the names of all owners of record of any portion of the project site on the recordation date.

The project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the building authorized herein is completed.

The project shall be undertaken in compliance with all conditions stated herein. Failure to comply with this permit is a violation and may subject the permittee, successors, and assigns to civil penalties and other legal proceedings.

This permit does not convey any right to trespass upon the lands or interfere with the riparian rights of others in order to undertake the authorized project, nor does it authorize the impairment of any easement, right, title or interest in real or personal property.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the permittee to comply with all applicable laws and regulations or to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

Project & Permit
No. 2018-0018

PROJECT SITE

The project site includes a 200± acre parcel located on the North side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School, Inc. dated February 28, 2003 which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. The project site is improved by the campus of North Country School and Camp Treetops, a private school and summer children's camp, respectively.

PROJECT DESCRIPTION

The project as conditionally approved herein involves construction of a new 1000 ± square foot building to be used as a "teaching-learning kitchen." An existing pump house will be removed and replaced in the same location by the new teaching-learning kitchen, located close to the main school building and accessible by the existing campus driveways and walkways. As proposed, the new 1000± square foot teaching-learning kitchen will be a component building of the existing school and summer camp programs, and as such is a "Public use building" for the purpose of Agency jurisdiction.

The proposed project is shown on the following maps and plans (hereinafter "Project Plans"):

- A *Site Plan / Erosion and Sediment Control Plan* entitled, "North Country School – TLK 101," received at the Agency April 2, 2018.
- Two (2) sheets of *Structure Drawings* including floor plan and elevations entitled "North Country School TLK-Scheme-A-Basement and Stair," received at the Agency on March 21, 2018.
- A *Construction Drawing*, entitled, "Camp Treetops – T/L Kitchen", prepared by William Forster, and last revised February 23, 2018.

A reduced-scale copy of the *Site Plan/Erosion and Sediment Control Plan* is attached as a part of this permit for easy reference. The original, full-scale maps and plans described in this paragraph are the official plans for the project, with copies available upon request from Adirondack Park Agency headquarters in Ray Brook, New York.

AGENCY JURISDICTION

The project requires an Agency permit pursuant to §§ 809(2)(a) and 810(2)(c)(6) of the Adirondack Park Agency Act [Executive Law, Article 27], as a new public use building on Rural Use area lands. The project also requires an Agency permit due to conditions in prior Agency permits.

Project & Permit
No. 2018-0018

CONDITIONS

THE PROJECT IS APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

1. The project shall not be undertaken until this permit has been recorded in the Essex County Clerk's Office.
2. This permit is binding on the permittee, all present and future owners or lessees of the project site, and all persons undertaking all or a portion of the project. Copies of this permit and the project plans shall be furnished by the permittee to all subsequent owners or lessees of the project site prior to sale or lease, and by the permittee and/or any subsequent owner or lessee to all persons undertaking any development activities authorized herein.
3. In addition to complying with all terms and conditions of this permit, all future activities on the project site shall be undertaken in compliance with the requirements of New York State's Adirondack Park Agency Act, Freshwater Wetlands Act, and the Adirondack Park Agency's implementing regulations [9 NYCRR §§ 570-588].
4. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2018-0018, issued July 25, 2018, the conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."

Development

Construction Location and Size

5. This permit authorizes the construction of the new teaching-learning kitchen (public use building) in the location shown and as depicted on the Project Plans. Any change to the location, dimensions, height or other aspect of the structure shall require prior written Agency authorization, or a new or amended Agency permit.
6. Pursuant to Section 809(2)(a) of the Adirondack Park Agency Act/9 NYCRR § 577.4, the undertaking of any new land use or development not authorized herein on the project site within one-eighth mile of the State Land Wilderness area, or within 150 feet of the edge of the right-of-way of NYS Route 73, will require a new or amended permit. The undertaking of any activity involving wetlands also requires a new or amended permit.

Building Color

7. All exterior building materials of the teaching-learning kitchen, including roof, siding and trim, shall be a dark shade of green, grey, or brown.

Project & Permit
No. 2018-0018

Outdoor Lighting

8. Any new free-standing or building-mounted outdoor lights associated with the new teaching-learning kitchen on the project site shall employ full cut-off fixtures that are fully shielded to direct light downward and not into the sky or toward NYS Route 73 or adjoining property.

Wetlands

9. The undertaking of any activity involving wetlands shall require a new or amended permit.

Reports

10. At the request of the Agency, the permittee or the permittee's successor shall report in writing the status of the project, including details of compliance with any terms and conditions of this permit.

Infrastructure

Wastewater

11. All wastewater on the project site shall be connected to and served by the on-site wastewater treatment facility. The wastewater treatment facility shall operate and be monitored in accordance with all authorizations issued by New York State Department of Environmental Conservation, including Order On Consent (No. R5-20170710-2253).

Stormwater Management/Erosion Control

12. The project shall be undertaken in compliance with the Project Plans and Erosion and Sediment Control Plan.

Vegetation / Statutory Critical Environmental Area

13. No trees, shrubs or other woody-stemmed vegetation shall be removed within 25 feet of the edge of the highway right-of-way or within 25 feet of the adjacent State Land Wilderness area, unless a new or amended permit is obtained. Outside of the 25 foot vegetative buffer, the selective removal of vegetation on the project site shall be undertaken in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry, and shall be undertaken such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained. In no case shall the removal of vegetation result in development on the project site becoming more visible from the State land Wilderness area or NYS Route 73. This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

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No. 2018-0018

Any changes or updates to the Forest Management Plan shall be submitted to the Agency for review to ensure the changes do not result in adverse impacts to the critical environmental areas and to determine if the revised plan requires a new or amended Agency permit.

Energy Use and Conservation

14. The facilities authorized herein shall at minimum, comply with the current Energy Conservation Construction Code of New York State.

FINDINGS OF FACT

Background/Prior History

1. Tax designation 52.04-1-11 on the north side of Route 73, is improved by a private school (North Country School) and a private summer children's camp (Camp Treetops) in a rural setting, and contains many seasonal and year-round structures including, but not limited to, a large main building with living quarters, a dormitory, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, and maintenance buildings.
2. Prior Agency actions include:
 - Jurisdictional determination J2005-569A determined that replacement of the pre-existing on-site wastewater treatment system on the project site did not require an Agency permit.
 - Agency enforcement case E2006-53 resolved the construction of a post-1973 single family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all the existing structures subject of the enforcement case were deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.
 - Agency Permit 2006-278 authorized the construction of a new greenhouse and re-location of an existing greenhouse on the project site.
 - Agency Permit 2008-38 authorized the construction of a new, two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73.

Project & Permit
No. 2018-0018

- Agency Permit 2011-178 authorized the expansion of the Dining Hall by approximately 56 percent.

Project Site

Critical Environmental Areas

3. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in statutory "Critical Environmental Area" (CEA). The project site is adjacent to the Sentinel Range State Land Wilderness area. That portion of the property located within 1/8 mile of the adjoining New York State lands designated as "Wilderness" area is also located in a statutory CEA.

Water Resources/Wetlands

4. Round Lake is partially located in the northwest corner of the project site. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert the landowners, and others, that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Vegetation

5. Outside of the main campus area the site is forested with a mixture of coniferous and deciduous vegetation, managed in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry. Existing vegetation on the north side of Route 73 entirely screens the school and campus area on Lot 11 from the highway. Primarily, only the sign is visible.

Historic Sites or Structures

6. The project site contains structures which are more than 50 years old. As such, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) was consulted. By a letter dated February 1, 2018, OPRHP determined that the project will have No Impact upon the cultural resources in or eligible for inclusion in the State and National Registers of Historic Places.

Nearby Land Uses

7. Nearby land uses primarily include a mixture of residential and commercial uses and State lands.

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Density

8. The new teaching-learning kitchen will constitute one new principal building. Therefore, after the project authorized herein is undertaken, a mathematical potential maximum density of 13 principal building rights may remain on tax lot 11. However, this estimate is based on approximate acreages and not on a formal survey. A formal survey of the entire acreage and existing development would be required for an exact density calculation and could result in a different number of principal buildings. Also, the Agency makes no assurances that the maximum development mathematically allowed can be approved.

Public Notice and Comment

9. The Agency notified all adjoining landowners and other parties and published a Notice of Complete Permit Application in the Environmental Notice Bulletin, as required by the Adirondack Park Agency Act. No comments have been received.

Other Permitting

New York State Department of Environmental Conservation

10. The existing on-site wastewater treatment facility is subject to a State Pollution Discharge Elimination System (SPDES) permit from the New York State Department of Environmental Conservation (NYSDEC). Required improvements to the wastewater treatment facility, including compliance monitoring and mitigation actions, will be undertaken in accordance with a NYSDEC Executed Order On Consent (Case No. R5-20170710-2253).
11. The Local Government Notice Form signed by the local Code Enforcement Officer on January 31, 2018 indicates that the proposed building is an allowable use under the local code. A building permit from the Town of North Elba was issued for the new teaching-learning kitchen on March 6, 2018.

PROJECT IMPACTS

Visual

12. Very distant views of the project site are seen from the adjacent Wilderness area – particularly “Cascade” and “Pitchoff.” None or very minimal changes to the existing views of the site from the adjacent Wilderness area will be discernable to the naked eye. Further, conditioning the removal of vegetation on site, and requiring that the project is undertaken as shown on the project plans, limiting maximum building size and height to those shown on project plans, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the statutory Critical Environmental Area.

Project & Permit
No. 2018-0018

Habitat/Wetlands

13. Provided the development authorized herein is undertaken in the location depicted on the Site Plan and in accordance with the conditions of this permit, the entire wetland will be preserved.
14. Requiring written authorization prior to any change in the authorized location of development will allow the Agency to ensure that the location and manner of construction will not adversely impact wetlands. A new or amended permit will be required for any future activity that involves wetlands pursuant to 9 NYCRR § 578.

Soils/Surface Waters/Groundwater

15. The existing wastewater treatment facility is designed to treat up to 17,200 gallons per day (gpd) of effluent. The new teaching-learning kitchen is expected to add a maximum of 840 gpd to the current daily flows, which currently average approximately 2,676 gpd for North Country School and average approximately 3,741 gpd for Camp Treetops. As such, when the project authorized herein is undertaken, the maximum daily flows will not exceed approximately 4,581 gpd, which is less than the 17,200 gpd the system is designed to treat. Requiring SPDSE permit compliance with NYSDEC, including monitoring and mitigation actions required in accordance with a NYSDEC Executed Order On Consent (No. R5-20170710-2253) will ensure protection of water quality resources.

Historic Sites or Structures

16. As confirmed by correspondence issued by NYS Office of Parks Recreation and Historic Preservation, the project will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR § 426.2 for the purposes of implementing § 14.09 of the New York State Historic Preservation Act of 1980.

Nearby Land Uses

17. The School/Camp hours of operation, number of campers, traffic, noise, and signage will not be changed as a result of the project authorized herein and thus there should be no increased impacts to nearby land uses.

Project & Permit
No. 2018-0018

CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval set forth in the Adirondack Park Agency Act, the Freshwater Wetlands Act and 9 NYCRR Part 578, and 9 NYCRR Part 574. The Agency hereby finds that the project authorized as conditioned herein:

- a. will be consistent with the land use and development plan;
- b. will be compatible with the character description and purposes, policies, and objectives of the Rural Use land use area;
- c. will be consistent with the overall intensity guidelines for the Rural Use land use area;
- d. will comply with the shoreline restrictions of § 806 of the Adirondack Park Agency Act; and
- e. will not have an undue adverse impact upon the natural, scenic, aesthetic, ecological, wildlife, historic, recreational or open space resources of the Park or upon the ability of the public to provide supporting facilities and services made necessary by the project.

PERMIT issued this 25th day
of July, 2018.

ADIRONDACK PARK AGENCY

BY: Terry Martino
Terry Martino, Executive Director

STATE OF NEW YORK
COUNTY OF ESSEX

On the 25th day of July in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared Terry Martino, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Stephanie L. Petith
Notary Public

TM:CCP:slp

R/p: North Country School Inc
4382 Cascade Rd
Lake Placid NY 12946

STEPHANIE L. PETITH
Notary Public - State of New York
Qualified in Franklin County
No. 01PE6279890
Commission Expires Apr. 15, 2021

Erosion and Sediment Control

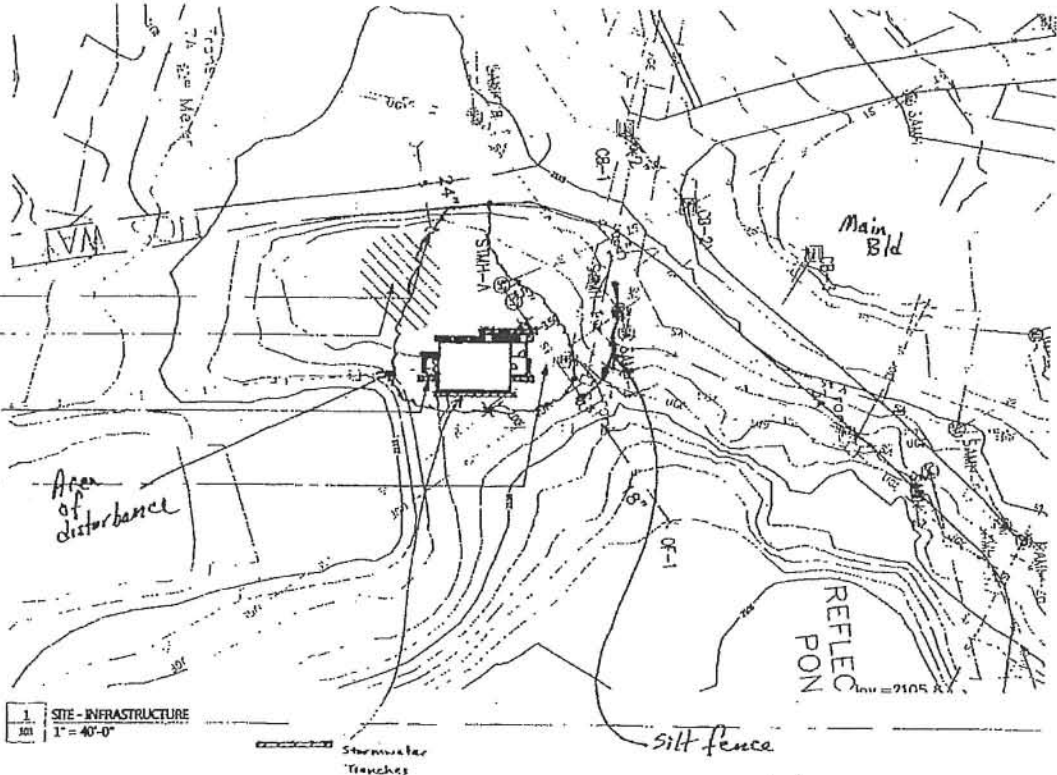
24" CULVERT
DUMPING HERE
PONDING AREA

DRAINAGE PINCHED
CLOSED (SURFACE)

POSSIBLE DRAINAGE
CHANNEL (SURFACE)

The TLK Bld. is sited at
minimal distances from the
15"/ 18" storm sewer (ST).
Dimensions indicated.

Area of disturbance



RECEIVED
ADIRONDACK PARK AGENCY
APR 03 2018

FINAL
ADIRONDACK PARK AGENCY
FILE # P2018-001B

1. SITE - INFRASTRUCTURE
1" = 40'-0"

No. 12

<: 108 PG: 71 08/31/2018 ADIRON PARK AGENCY Image: 1 of 13



ESSEX COUNTY – STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



BOOK/PAGE: 108 / 71
INSTRUMENT #: 2018-3545

Receipt#: 2018202615
Clerk: BL
Rec Date: 08/31/2018 11:19:00 AM
Doc Grp: APA
Descrip: ADIRON PARK AGENCY
Num Pgs: 13
Rec'd Frm: J CULPEPPER

Party1: A P A
Party2: NORTH COUNTRY SCHOOL INC
Town: NORTH ELBA

Recording:

Cover Page	5.00
Recording Fee	80.00
Additional Names	0.50
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

Total: 105.50
**** NOTICE: THIS IS NOT A BILL ****

I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.

Handwritten signature of Joseph A. Provoncha in cursive.


Joseph A. Provoncha
Essex County Clerk

Record and Return To:

JOHN CULPEPPER
NORTH COUNTRY SCHOOL
4382 CASCADE ROAD
LAKE PLACID NY 12946

Notice Information may change during the
verification process and may not be reflected on this
page

THIS IS A TWO-SIDED DOCUMENT

 <p>NEW YORK STATE OF OPPORTUNITY.</p> <p>Adirondack Park Agency</p> <p>P.O. Box 99, 1133 NYS Route 86 Ray Brook, New York 12977 Tel: (518) 891-4050 Fax: (518) 891-3938 www.apa.ny.gov</p>	<p>APA Project Permit 2017-0130</p>
	<p>Date Issued: August 27, 2018</p>
<p>In the Matter of the Application of</p> <p>NORTH COUNTRY SCHOOL, INC. CAMP TREETOPS</p> <p>for a permit pursuant to § 809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before October 26, 2018. Please index this permit in the grantor index under the following names:</p> <ol style="list-style-type: none">1. North Country School, Inc.2. Camp Treetops

SUMMARY AND AUTHORIZATION

This permit authorizes the expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This permit shall expire unless recorded in the Essex County Clerk's Office on or before October 26, 2018, in the names of all persons listed above and in the names of all owners of record of any portion of the project site on the recordation date.

The project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the expansion authorized herein is completed.

The project shall be undertaken in compliance with all conditions stated herein. Failure to comply with this permit is a violation and may subject the permittee, successors, and assigns to civil penalties and other legal proceedings.

This permit does not convey any right to trespass upon the lands or interfere with the riparian rights of others in order to undertake the authorized project, nor does it authorize the impairment of any easement, right, title or interest in real or personal property.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the permittee to comply with all applicable laws and regulations or to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

RJR John Culpepper
→ North Country School
4382 Cascade Road
Lake Placid, NY 12946

Project & Permit
No. 2017-0130

PROJECT SITE

The project site includes a 200± acre parcel located on the north side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School, Inc. dated February 28, 2003, which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. The project site is improved by the campus of North Country School and Camp Treetops, a private school and summer children's camp, respectively.

PROJECT DESCRIPTION

The project as conditionally approved herein involves the expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition, which will include a "Performing Arts Center," comprised of a stage, classrooms, and scene shop. Associated infrastructure improvements include stormwater management, utility installations, new sidewalks and re-development of the interior campus driveways to facilitate use of existing parking areas. As proposed, the new Performing Arts Center will accommodate activities which currently occur in other areas on the campus, such as performances, graduation, lectures and other school/camp events. The Performing Arts Center is not proposed to be used by any outside entities unrelated to the school or camp programs. As such, it is not expected to result in any increased traffic or parking on campus, nor any increase in the number of students or campers.

The proposed project is shown on the following maps and plans (hereinafter "Project Plans"):

1. Eight (8) sheets of plans entitled "Walter P. Breeman Performing Arts Center," prepared by Maclay Architects, and dated February 28, 2017, including:
 - a. Sheet C1-0 "Existing Conditions/Demolition Plan," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - b. Sheet C1-1 "Site Layout, Grading, and Utility Plan," stamped "Permit Set Not For Construction Rev 8/24/17," received at the Agency August 28, 2017;
 - c. Sheet C1-2 "Erosion & Sediment Control Plan," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - d. Sheet C2-0 "Site Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - e. Sheet C2-1 "Stormwater & Planting Details," stamped "Permit Set Not For Construction Rev 8/24/17," received at the Agency August 28, 2017;
 - f. Sheet C2-2 "Sanitary Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - g. Sheet C2-3 "Water Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017; and
 - h. Sheet C2-4 "Erosion & Sediment Control Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017.

Project & Permit
No. 2017-0130

2. Four (4) sheets of Structure Drawings including floor plan and elevations entitled "Walter P. Breeman Performing Arts Center," prepared by Maclay Architects, and dated May 5, 2017, received at the Agency July 25, 2017, including:
 - a. Sheet A1.1 "First Floor Plan";
 - b. Sheet A1.2 "Second Floor Plan";
 - c. Sheet A2.1 "Exterior Elevations"; and
 - d. Sheets A2.2 "East Elevations".
3. "A Map of Topographic Survey Showing A Portion Of Lands Of North Country School / Camp Treetops," prepared by AES Northeast, dated September 28, 2016, revised August 24, 2017 and received at the Agency August 28, 2017.
4. A Stormwater Pollution Prevention Plan and Calculations for "North Country School/Camp Treetops Walter P. Breeman Arts Center," Prepared by Engineering Ventures, PC, and dated July 19, 2017.

A reduced-scale copy of Sheet C1-1 "Site Layout, Grading, and Utility Plan," is attached as a part of this permit for easy reference. The original, full-scale maps and plans described in this paragraph are the official plans for the project, with copies available upon request from Adirondack Park Agency headquarters in Ray Brook, New York.

AGENCY JURISDICTION

The project requires an Agency permit pursuant to §§ 809(2)(a) and 810(2)(c)(6) & (18) of the Adirondack Park Agency Act [Executive Law, Article 27], as a greater than 25 percent expansion of a public use building on Rural Use area lands. The project also requires an Agency permit due to conditions in prior Agency permits.

CONDITIONS

THE PROJECT IS APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

1. The project shall not be undertaken until this permit has been recorded in the Essex County Clerk's Office.
2. This permit is binding on the permittee, all present and future owners or lessees of the project site, and all persons undertaking all or a portion of the project. Copies of this permit and the project plans shall be furnished by the permittee to all subsequent owners or lessees of the project site prior to sale or lease, and by the permittee and/or any subsequent owner or lessee to all persons undertaking any development activities authorized herein.
3. In addition to complying with all terms and conditions of this permit, all future activities on the project site shall be undertaken in compliance with the requirements of New York State's Adirondack Park Agency Act, Freshwater Wetlands Act, and the Adirondack Park Agency's implementing regulations [9 NYCRR §§ 570-588].

Project & Permit
No. 2017-0130

- 4. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2017-0130, issued August 27, 2018, the conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."

Development

Construction Location and Size

- 5. This permit authorizes the expansion of the North Country School main building with the addition of a 10,000± sq. ft. two-story addition, and associated infrastructure improvements (including new sidewalks and re-development of the interior campus driveways) as depicted on the Project Plans. Any change to the location, dimensions, height, architectural design or other aspect of the new structure shall require prior written Agency authorization, or a new or amended Agency permit.
- 6. Pursuant to Section 809(2)(a) of the Adirondack Park Agency Act/9 NYCRR § 577.4, the undertaking of any new land use or development not authorized herein on the project site within one-eighth mile of the State Land Wilderness area, or within 150 feet of the edge of the right-of-way of NYS Route 73, will require a new or amended permit. The undertaking of any activity involving wetlands also requires a new or amended permit.

Building Color

- 7. All exterior building materials of the new expansion, including roof, siding and trim, shall be a dark shade of green, grey, or brown.

Outdoor Lighting

- 8. Any new free-standing or building-mounted outdoor lights associated with the new expansion shall employ full cut-off fixtures that are fully shielded to direct light downward and not into the sky or toward NYS Route 73 or adjoining property.

Wetlands

- 9. The undertaking of any activity involving wetlands shall require a new or amended permit.

Reports

- 10. At the request of the Agency, the permittee or the permittee's successor shall report in writing the status of the project, including details of compliance with any terms and conditions of this permit.

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No. 2017-0130

Infrastructure

Wastewater

11. All wastewater on the project site shall be connected to and served by the on-site wastewater treatment facility. The wastewater treatment facility shall operate and be monitored in accordance with all authorizations issued by New York State Department of Environmental Conservation, including Order On Consent (No. R5-20170710-2253).

Stormwater Management/Erosion Control

12. The project shall be undertaken in compliance with the Project Plans and the Stormwater Pollution Prevention Plan.

Vegetation / Statutory Critical Environmental Area

13. No trees, shrubs or other woody-stemmed vegetation shall be removed within 25 feet of the edge of the highway right-of-way or within 25 feet of the adjacent State Land Wilderness area, unless a new or amended permit is obtained. Outside of the 25 foot vegetative buffer, the selective removal of vegetation on the project site shall be undertaken in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry, and shall be undertaken such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained. In no case shall the removal of vegetation result in development on the project site becoming more visible from the State Land Wilderness area or NYS Route 73. This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Any changes or updates to the Forest Management Plan shall be submitted to the Agency for review to ensure the changes do not result in adverse impacts to the critical environmental areas and to determine if the revised plan requires a new or amended Agency permit.

Energy Use and Conservation

14. The facilities authorized herein shall at minimum, comply with the current Energy Conservation Construction Code of New York State.

FINDINGS OF FACT

Background/Prior History

1. Tax designation 52.04-1-11 is improved by a private school (North Country School) and a private summer children's camp (Camp Treetops) in a rural setting, and contains many seasonal and year-round structures including, but not limited to, a large main building with living quarters, a dormitory, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, and maintenance buildings.

2. Prior Agency actions include:
 - a. Jurisdictional determination J2005-0569A determined that replacement of the pre-existing on-site wastewater treatment system on the project site did not require an Agency permit.
 - b. Agency enforcement case E2006-0053 resolved the construction of a post-1973 single-family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all the existing structures subject of the enforcement case were deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.
 - c. Agency Permit 2006-0278 authorized the construction of a new greenhouse and re-location of an existing greenhouse on the project site.
 - d. Agency Permit 2008-0038 authorized the construction of a new, two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73.
 - e. Agency Permit 2011-0178 authorized the expansion of the Dining Hall by approximately 56 percent.
 - f. Agency Permit 2018-0018 authorized the construction of a 1000± square foot public use building to be used as a "teaching-learning kitchen."

Project Site

Critical Environmental Areas

3. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in a statutory "Critical Environmental Area" (CEA). The project site is adjacent to the Sentinel Range State Land Wilderness Area. That portion of the property located within 1/8 mile of the adjoining New York State lands designated as "Wilderness" area is also located in a statutory CEA.

Water Resources/Wetlands

4. Round Lake is partially located in the northwest corner of the project site. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert the landowners, and others, that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Vegetation

5. Outside of the main campus area the site is forested with a mixture of coniferous and deciduous vegetation, managed in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry. Existing vegetation on the north side of Route 73 entirely screens the school and campus area on Lot 11 from the highway. Primarily, only the sign is visible.

Historic Sites or Structures

6. The project site contains structures which are more than 50 years old. As such, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) was consulted. By a letter dated June 26, 2017, OPRHP determined that the project will have No Impact upon the cultural resources in or eligible for inclusion in the State and National Registers of Historic Places.

Nearby Land Uses

7. Nearby land uses primarily include a mixture of residential and commercial uses and State lands.

Density

8. As explained in Agency Permit 2018-0018, a mathematical maximum potential density of 13 principal building rights may remain on the project site. However, this estimate is based on approximate acreages and not on a formal survey. A formal survey of the entire acreage and existing development would be required for an exact density calculation and could result in a different number of principal buildings. Also, the Agency makes no assurances that the maximum development mathematically allowed can be approved.

Public Notice and Comment

9. The Agency notified all adjoining landowners and other parties and published a Notice of Complete Permit Application in the Environmental Notice Bulletin, as required by the Adirondack Park Agency Act. No comments have been received.

Other Permitting

New York State Department of Environmental Conservation

10. The existing on-site wastewater treatment facility is subject to a State Pollution Discharge Elimination System (SPDES) permit from the New York State Department of Environmental Conservation (NYSDEC). Required improvements to the wastewater treatment facility, including compliance monitoring and mitigation actions, will be undertaken in accordance with a NYSDEC Executed Order On Consent (Case No. R5-20170710-2253).
11. The Town of North Elba issued a building permit for the project on August 15, 2018 (Permit No. 2018-0279).

PROJECT IMPACTS

Visual

12. Very distant views of the project site are seen from the adjacent Wilderness area – particularly “Cascade” and “Pitchoff.” Very minimal changes to the existing views of the site from the adjacent Wilderness area will potentially be discernable to the naked eye. Conditioning the removal of vegetation on site, and requiring

Project & Permit
No. 2017-0130

that the project is undertaken as shown on the project plans, limiting maximum building size and height to those shown on project plans, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the statutory Critical Environmental Area.

Habitat/Wetlands

13. Provided the development authorized herein is undertaken in the location depicted on the Site Plan and in accordance with the conditions of this permit, the entire wetland will be preserved.
14. Requiring written authorization prior to any change in the authorized location of development will allow the Agency to ensure that the location and manner of construction will not adversely impact wetlands. A new or amended permit will be required for any future activity that involves wetlands pursuant to 9 NYCRR § 578.

Soils/Surface Waters/Groundwater

15. The existing wastewater treatment facility on the project site is designed to treat up to 17,200 gallons per day (gpd) of effluent. The new teaching-learning kitchen authorized by Agency Permit 2018-0018 is expected to add a maximum of 840 gpd to the current daily flows, which currently average approximately 2,676 gpd for North Country School and average approximately 3,741 gpd for Camp Treetops. When the new teaching/learning kitchen is operational, the maximum daily flows will not exceed 4,581± gpd. Engineering data provided by AES Northeast indicates that the project authorized herein could result in a maximum increase of 3155 gpd to the current daily flows. When the new teaching/learning kitchen and project authorized herein are undertaken, the maximum daily flows on site will not exceed 7,736 gpd, which is less than the 17,200 gpd the system is designed to treat.

Requiring SPDSE permit compliance with NYSDEC, including monitoring and mitigation actions required in accordance with a NYSDEC Executed Order On Consent (No. R5-20170710-2253) will ensure protection of water quality resources.

Historic Sites or Structures

16. As confirmed by correspondence issued by NYS Office of Parks Recreation and Historic Preservation, the project will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR § 426.2 for the purposes of implementing § 14.09 of the New York State Historic Preservation Act of 1980.

Nearby Land Uses

17. The School/Camp hours of operation, number of campers, traffic, noise, and signage will not be changed as a result of the project authorized herein and thus there should be no increased impacts to nearby land uses.


CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval set forth in the Adirondack Park Agency Act, the Freshwater Wetlands Act and 9 NYCRR Part 578, and 9 NYCRR Part 574. The Agency hereby finds that the project authorized as conditioned herein:

- a. will be consistent with the land use and development plan;
- b. will be compatible with the character description and purposes, policies, and objectives of the Rural Use land use area;
- c. will be consistent with the overall intensity guidelines for the Rural Use land use area;
- d. will comply with the shoreline restrictions of § 806 of the Adirondack Park Agency Act; and
- e. will not have an undue adverse impact upon the natural, scenic, aesthetic, ecological, wildlife, historic, recreational or open space resources of the Park or upon the ability of the public to provide supporting facilities and services made necessary by the project.

PERMIT issued this 27th day
of August, 2018.

ADIRONDACK PARK AGENCY

BY: 
Richard E. Weber III
Deputy Director Regulatory Programs

STATE OF NEW YORK
COUNTY OF ESSEX

On the 27th day of August in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard E. Weber III, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

REW:CCP:slp

STEPHANIE L. PETITH
Notary Public - State of New York
Qualified in Franklin County
No. 01PE6279890
Commission Expires Apr. 15, 2021



**Adirondack
Park Agency**

**MAJOR PROJECT PUBLIC NOTICE
APPLICATION DETERMINED
APA PROJECT NO. 2017-0130**

Date: August 27, 2018

The purpose of this notice is to inform you that on **August 27, 2018**, the Agency conditionally approved the project and issued Permit **2017-0130**.

The project is located in the Town of **North Elba, Essex County**, on or near **NYS Route 73**. The tax map number of the project site is: Section **52.4**, Block **1**, Parcel(s) **11**. The project is briefly described as follows: **Expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition, which will include a performing arts center, stage, classrooms, and scene shop. Associated infrastructure improvements include stormwater management, utility installations, new sidewalks and re-development of the interior campus driveway to facilitate use of existing parking areas.**

Please contact **Colleen C. Parker**, the Environmental Program Specialist 3 (EPS3), if you should have any questions.

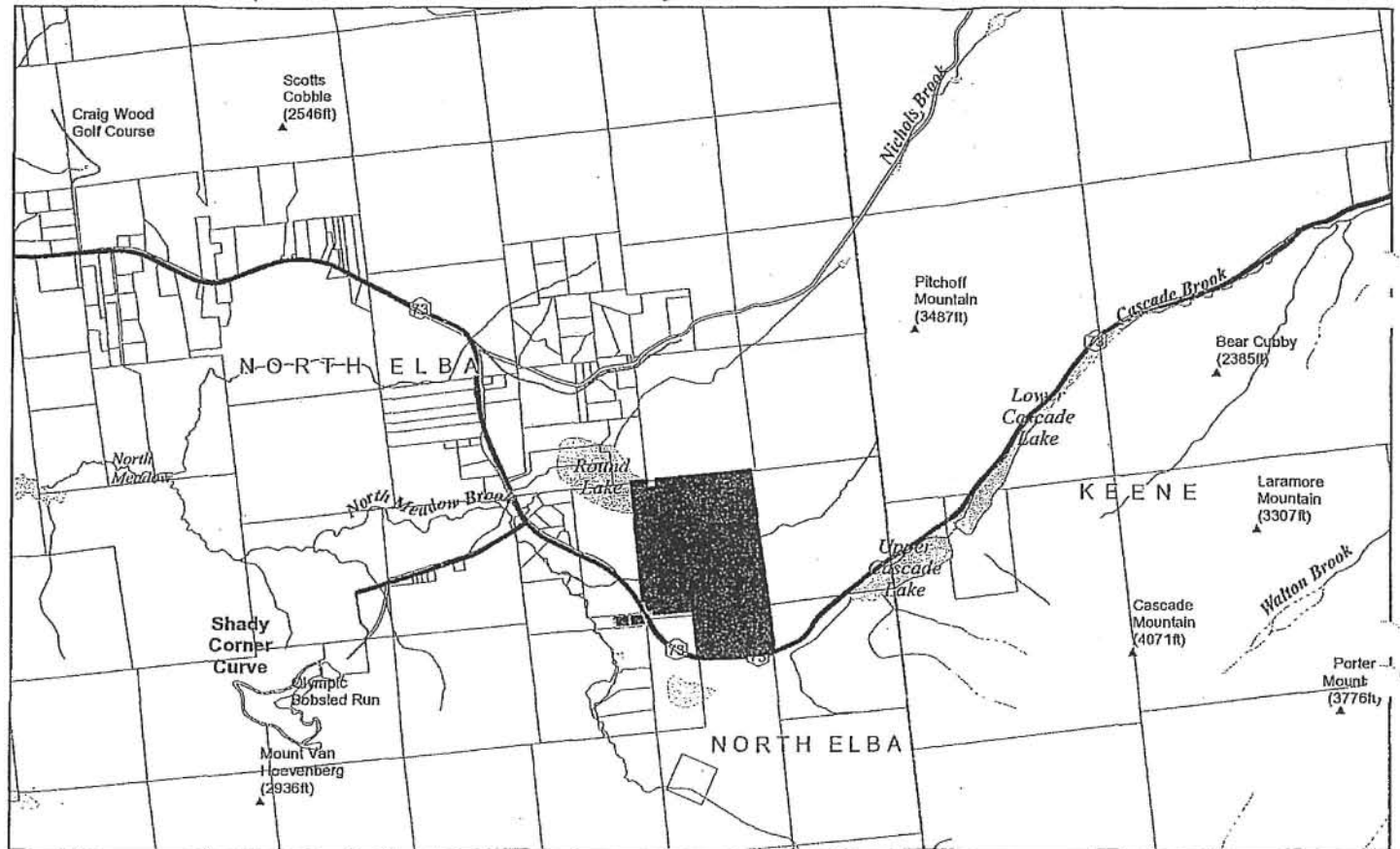
8/27/18
Date

Richard E. Weber III
Deputy Director (Regulatory Programs)

REW:CCP:slp

cc: John Culpepper, North Country School/Camp Treetops
Peter Gibbs, PE
Adjoining Landowners
Town, County & LGRB Officials

APA Project 2017-130



July 28, 2017

This is advisory only, not to be used to confirm exact boundary location or for determining Agency jurisdiction.

□ Parcels 2015

— Park Boundary Blueline

NYS Adirondack Park Agency

NYS Adirondack Park Agency, 2017

STATE OF NEW YORK)
) ss:
 COUNTY OF ESSEX)

LIBERTY ABSTRACT COMPANY OF PLATTSBURGH, INC., a Corporation organized under the laws of the State of New York, doing business as **LIBERTY ABSTRACT COMPANY**, does hereby certify that upon examination of instruments in the Office of the Clerk of Essex County, for Deeds, Mortgages, Assignments, Satisfactions, Loan Office Mortgages, Sheriff's Certificate of Sale, Leases and Agreements, Lis Pendens, Consolidated Liens, Welfare Liens, A.P.A. Permits (1973 to date), Miscellaneous Records, Personal Surety Bonds since 1942, and Mechanics Liens during last year. (Petitions and Wills in the Office of the Surrogate of Essex County), by means of the General Alphabetical Indices thereto, the foregoing instruments numbered from **1 to 12**, inclusive, were the only instruments found affecting or appearing to affect the title to the premises described in **DEED NOS. 2, 3, & 5.**

And further that upon such examination as aforesaid the following are the names of persons searched against for the periods set opposite their respective names, viz:

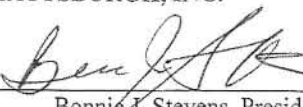
NAME	FROM	TO
Chester J. Jankowski } a/k/a Jan C. Travis (Est. of) }	October 29, 1948	March 1, 2003
Leonard Bala, Adm.	January 3, 2001	March 1, 2003
North Country School	October 30, 1957	January 20, 2019
"Camp Treetops"	October 30, 1957	January 20, 2019

And upon examination of the Dockets of Judgments (10 years), Federal Judgments (20 years), and Federal Tax Liens (10 years) kept in the Office of the Essex County Clerk there are no Judgments, Transcript of Judgment, Federal Judgments nor Federal Tax Liens against the following named person for the periods set opposite their respective names, viz.: NONE.

NAME	FROM	TO
North Country School	December 20, 2008	January 20, 2019
"Camp Treetops"	December 20, 2008	January 20, 2019

WITNESS the corporate seal and signature of said Corporation this 20th day of January 2019, at 5:00 PM

LIBERTY ABSTRACT COMPANY OF PLATTSBURGH, INC.

BY: 
 Bonnie J. Stevens, President





Adirondack Park Agency

SHERMAN CRAIG
Chairman

TERRY MARTINO
Executive Director

October 19, 2017

John Culpepper
North Country School
4382 Cascade Road
Lake Placid, NY 12946

RE: Jurisdictional Determination J2017-0631

Dear Mr. Culpepper:

The proposed expansion of the single family dwelling described in the materials received on October 5, 2017 does not require a permit from this Agency, provided the facts submitted are accurate and complete, and provided there is compliance with the restrictions below.

Description

It is our understanding that the project consists of the following:

1. The property is a 2 ±-acre parcel located in the Town of North Elba, Essex County, on Sheepback Farm Way, tax map designation 52.004-1-21.
2. The property is owned by North Country School, as described in a deed recorded on July 18, 2005 in Liber 1452 of Deeds, page 184, in the Essex County Clerk's Office.
3. According to the information you submitted, the property was part of a larger parcel as of the May 22, 1973 enactment date of the Adirondack Park Land Use and Development Plan in that the owner on that date owned adjoining tax parcel 52.4-1-22. Agency Permit 91-157 authorized the subdivision that created the two lots.
4. The property is improved by a single family dwelling constructed circa 1994 and a garage for which no construction dates were provided.
5. You propose to expand the single family dwelling with a 1,000 square foot addition, as shown on the site plan received October 5, 2017. For purposes of Agency review, the site plan has been stamped "Final".

No additional subdivision or new land use and development is proposed at this time.

If any of the above is incorrect, please contact the Agency as a different determination could result.

FOR YOUR INFORMATION:

This determination is based upon the existing laws, regulations and Park Plan Map administered by the Agency. If they change before substantial commencement of the proposed project, this determination may also change.

The property is located in a Rural Use land use area on the Adirondack Park Land Use and Development Plan Map.

Agency staff has determined that there are no wetlands subject to Agency jurisdiction on the property, based on interpretation of wetland maps available for Essex County. However, field inspection by Agency staff is the only way to confirm the presence, location and size of wetlands. If you have reason to believe that any wetlands would be affected by the proposal, you are encouraged to contact the Agency to arrange a site visit prior to undertaking the project.

The property is not located in a statutory critical environmental area.

The property is not located in a designated river area pursuant to the New York State Wild, Scenic and Recreational Rivers System Act.

Restrictions

Although the proposed project described above does not require an Agency permit, the following restrictions are imposed by law.

1. Projects must be undertaken in accord with Agency regulations implementing the State Freshwater Wetlands Act. Enclosed is a flyer describing some of the activities which require a wetlands permit.
2. A new on-site wastewater treatment system may not be located within 100 feet of any water body, including intermittent or seasonal streams, without an Agency variance. The sewage disposal system setback is measured horizontally along the shortest line between the closest point of the seepage pit, drainage field or other leaching facility and the mean high water mark.

An Agency permit is required for the installation of any leaching component of a wastewater treatment system within 100 feet of wetlands.

The New York State Department of Health has additional wastewater treatment system standards which must also be met.

3. No structure other than residential radio and television antennas and agricultural use structures may exceed 40 feet in height without an Agency permit. For Agency purposes, height is measured from the highest point of the structure to the lowest point of finished or natural grade, whichever is lower.

The proposal may require approvals from other government entities. We recommend that you check with Town authorities to obtain all necessary approvals prior to beginning your project.

If you have any questions, please do not hesitate to contact the Agency.

Sincerely,



Tracy J. Darrah
Project Administrator

TJD:DWM:mp
Enclosure: Wetlands flyer

cc: Town of North Elba (via email)
Colleen C. Parker, APA



FRESHWATER WETLANDS

This is a supplement to the Citizen's Guide, which provides basic information about Adirondack Park Agency regulations.

Regulated Wetlands

Defined in §802 of the Adirondack Park Agency Act, wetlands are "any land which is annually subject to periodic or continual inundation by water and commonly referred to as a bog, swamp or marsh which are either (a) one acre or more in size or (b) located adjacent to a body of water, including a permanent stream, with which there is free interchange of water at the surface, in which case there is no size limitation¹." Section 578.3 of the Agency's regulations provides additional wetland information, and the criteria for identifying wetland areas are provided in the New York State Wetland Delineation Manual (<http://apa.state.ny.us/Documents/Guidelines/WetlandDelineationNYS.pdf>).

Wetland Permitting

Under the Adirondack Park Agency Act and the Freshwater Wetlands Act, an Agency permit must be obtained for the following activities involving wetlands in the Adirondack Park:

1. Draining, dredging, or excavating² a wetland;
2. Placing fill, including soil, stone, sand, gravel, mud, trash, structures, pilings, roads, or any other obstruction or substance³, into a wetland;
3. Clearcutting⁴ more than three acres;
4. Releasing any form of pollution into a wetland, including pesticides and sewage effluent or other liquid waste;

¹ Areas that are less than one acre in size and meet the New York State Wetland Delineation Manual criteria are considered wetlands for Agency purposes if: 1) the adjacent waterbody is at least 6.6 feet deep; 2) the adjacent waterbody is at least one acre in surface area; 3) the adjacent waterbody and the wetland together are at least one acre in surface area; or 4) the adjacent waterbody has a permanent surface water inlet or outlet.

² With certain exceptions; see section 578.3(n)(4) of Agency regulations and the Agency's flyer titled "Hand Harvesting of Aquatic Plants" for additional information.

³ With certain exceptions; see section 578.3(n)(4) of Agency regulations for additional information.

⁴ For Agency purposes, a clearcut is generally defined as any cutting of trees over six inches in diameter at breast height over any 10-year cutting cycle, where the average residual basal area remaining is less than 30 square feet per acre within the area harvested. See sections 570.3(f) and 573.7 of Agency regulations for additional information.

5. Installing any sewage drainage field or seepage pit or any sewer outfall in or within 100 feet of a wetland;
6. Undertaking any other activity within or outside of a wetland that substantially impairs the functions served by or the benefits derived from the wetland, including the diversion of surface or subsurface drainage or natural water flow that adversely affects the natural hydrological regime of or substantially increases erosion of or siltation or sedimentation into the wetland; or
7. Creating by subdivision any lot that contains wetlands and any lot adjoining a lot that contains wetlands, as well as all land use and development related to these subdivision lots, *unless* the Agency issues a letter finding that:
 - All lot boundaries will be located at least 200 feet from all wetlands;
 - All new roads providing access to more than one lot will be located at least 50 feet from all wetlands;
 - All non-wetland areas of the wetland subdivision lots will be accessible by road without crossing or causing adverse impacts to wetlands⁵; and
 - Any lot containing a lawfully existing principal building will also contain its associated water supply, wastewater treatment system, and an adequate replacement site for the on-site wastewater treatment system that is located at least 100 feet from all wetlands⁶.

Additional Information

For specific locations, the Agency will determine whether wetlands are present and will delineate wetlands upon the request of any person having a legal interest in the property. These determinations involve examination of maps at Agency headquarters, interpretation of aerial photographs, and/or field visits by Agency wetland biologists. Please contact the Agency for additional information.

Certain activities involving wetlands may be authorized by expedited process under a General Permit.

This flyer is intended to provide general information regarding Agency jurisdiction. Other provisions or restrictions may apply if an Agency permit or variance is required or if the property has previously been subject to Agency review.

Please contact the Agency with any questions at 518-891-4050. For a binding written response as to whether a specific proposal requires Agency review, please submit a Jurisdictional Inquiry Form (JIF). The JIF form is available on the Agency website at www.apa.ny.gov/Forms/jiform.pdf.

⁵ This requirement is generally applied to mean that access roads could be constructed at least 50 feet from wetlands to reach all non-wetland areas of the subdivision lots.

⁶ This requirement is generally applied to mean that the lot contains a potential replacement wastewater treatment system site that: 1) is at least 1,500 square feet in size; 2) is no more than 60 feet in length; 3) has slopes of 15% or less; and 4) and is located greater than 100 feet from all waterbodies.

WETLAND IDENTIFICATION AND IMPORTANCE

Deep Water Marsh

Areas of open water filled with plants that float freely or are rooted are called deep water marshes. The leaves of the rooted plants are either submerged or floating. Such plants as pondweeds, duckweeds, and wild celery are important food for waterfowl. The shallow waters of a deep water marsh and the protecting vegetation make them important areas for fish spawning and nurseries.

Deciduous Swamp

These are wetlands where the covertype contains mostly live deciduous trees, twenty feet or more in height. The trees grow on hummocks or in seasonally or permanently flooded areas. Swamp maples and willows are evident in lowland deciduous swamps. These swamps are spotted with dead trees which are used by flying squirrels and chickadees. The swamps provide a habitat for nesting waterfowl and a great variety of birds and wildlife. Their soils are usually very fertile, promoting rapid plant growth and a wide diversity of plants and animals. Because these swamps filter great quantities of water, they play a very important role in purifying water and maintaining high water quality.

Wet Meadows

Wet meadows are wetlands where most of the cover is composed of sedges, rushes, and coarse grasses, most of which tend to grow in clumps. Groundwater is at or near the surface for much of the year, including significant parts of the growing season, creating saturated soils. These meadows are often found in the flood plains of lakes and rivers and in the areas once flooded by beaver dams or other impoundments. Their soils are mostly mineral in structure.

Bog

A bog is a closed wetland from which drainage is either extremely slow or absent and where the vegetation grows on a saturated mat of peat. The mat sometimes covers all of the surface of a shallow pond, sometimes it covers only a portion leaving open water. The peat is formed by species of sphagnum moss which die, but do not decay because of the acidity and low oxygen levels of the bog. All processes in a bog including nutrient recycling are slowed down by the stagnant acid water. This is why bogs are so sensitive. It takes centuries to recover from disturbance.

Emergent Marsh

Emergent marshes are shallow wetlands that are flooded with standing or running water much of the year. Their cover consists of such plants as cattails, bulrushes, pickerel weed, loosestrifes, and arrowheads. Emergent marshes have the most valuable covertype and one of the highest levels of productivity and habitat diversity. Not only does the vegetation in these wetlands provide nesting habitat, food, and cover for many waterfowl and other wildlife, but it adds large quantities of nutrients to food chains. These marshes are attractive to muskrat, ducks and geese, herons, and egrets, mink and deer.

Shrub Swamp

A shrub swamp is a wetland where woody shrubs, less than twenty feet in height, make up most of the covertype. Shrub swamps are often found in floodplains, in frost pockets and other depressions, on the edges of ponds, lakes and bogs, along meandering streams, and in hillside drainages. These areas have two things in common: fresh water flowing through them and a high level of productivity. Alders, hollies and viburnums typify these swamps and have berries which are eaten by a wide variety of birds. The shrubs are the nesting habitat of such diverse species as the rose-breasted grosbeak and kingbirds, and game birds, including woodcock, pheasant and grouse. It is also the habitat of beaver and otter, and waters adjacent to shrub swamps are essential to spawning northern pike.

Coniferous Swamp

A coniferous swamp is a wetland where most of the plant cover consists of live coniferous trees over twenty feet in height. The trees often grow on hummocks in deep organic deposits with pockets of water or sphagnum moss between them. Coniferous swamps are most important because they give off large quantities of water over much of the year. In summer, this process helps keep surrounding soil temperatures low. This, combined with the cooling effects of the swamps' dense shade, helps maintain low water temperatures critical to the survival of cold water fish in streams running through these swamps. The shelter offered by coniferous swamps creates clear wintering fields so important to the survival of deer and other animals and birds.

**RECEIPT AND CERTIFICATE OF
THE PURCHASER OF THE SERIES 2019 BONDS**

The undersigned, as a duly Authorized Officer of Boston Private Bank & Trust Company, the Purchaser of the hereinafter defined Bonds (the "Purchaser"), HEREBY ACKNOWLEDGES receipt of the North Country School Revenue Bonds, Series 2019 (the "**Bonds**"), in the aggregate principal amount of Seven Million One Hundred Thousand Dollars (\$7,100,000) and consisting of the Series 2019A Bonds in the principal amount of Five Million Eight Hundred Thousand Dollars (\$5,800,000) and the Series 2019B Bonds in the principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000). The Bonds are issued pursuant to (i) the bond resolution, adopted by Essex County Capital Resource Corporation (the "**Issuer**") on February 21, 2019 authorizing the authorizing the issuance, execution, sale and delivery of the Bonds and the execution and delivery of the Bond Purchase and Loan Agreement by and among the Issuer, the Purchaser and the North Country School (the "**Institution**"), dated as of March 1, 2019 (the "**Bond Purchase and Loan Agreement**") and the other financing documents authorized by such Resolution) (the "**Bond Resolution**") and (ii) the Bond Purchase and Loan Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase and Loan Agreement.

The undersigned, on behalf of the Purchaser, HEREBY REPRESENTS to the Issuer and the Institution that:

(1) The Purchaser has received all requested information, including financial statements, with respect to the Institution which is, in its judgment, necessary in order to enable it to reach an independent investment decision with respect to the Bonds.

(2) The Purchaser has not requested from the Issuer nor received from the Issuer any information concerning the Project, the Institution or any subject matter of any type which the Purchaser might deem important in reaching an investment decision to purchase the Bonds. All such information requested by the Purchaser concerning the Project, the Institution or any such subject matter has been provided to the Purchaser by the Institution. The Purchaser has made an independent evaluation of the financial condition and the creditworthiness of the Institution, and the competency and integrity of the management of the Institution and is not relying on the Issuer with respect thereto.

(3) Prior to the date hereof, the Purchaser has received copies of the form of the Bond Documents and such other agreements and documents containing terms relating to the Bonds.

(4) In accordance with the Bond Purchase and Loan Agreement, the Purchaser is purchasing the Bonds for its own account, for the purpose of investment and without a view to the distribution or resale thereof, provided that, the Purchaser reserves the right to dispose of all of any part of such Bonds if thereafter it deems it advisable to do so. In the event that the Purchaser shall elect to sell any Bonds, it will do so only in accordance with the transfer restrictions contained in the Bond Purchase Agreement and Loan Agreement and the Bonds.

(5) The Purchaser is a regular investor in, and purchaser of, securities similar to the Bonds, and understands that the Bonds are special, limited obligations of the Issuer, payable solely from the payments to be made by the Institution to the Issuer under the Bond Purchase and Loan Agreement and moneys and securities held for the Bonds under the Bond Documents, and that the Bonds do not constitute a debt of the State of New York (the "State"), the County of Essex (the "County") or of any other

municipality or subdivision thereof, and neither the State, the County nor any such other municipality or subdivision is liable on the Bonds.

(6) The Purchaser understands and acknowledges that the Issuer has no power of taxation.

(7) The Purchaser understands and agrees that neither the members, directors, officers or agents of the Issuer nor any person executing the Bonds shall be liable personally or be subject to any personal liability or accountability by reason of or in connection with the issuance thereof.

(8) The Purchaser understands and agrees that the Issuer makes no representation or warranty, express or implied, with respect to the Project financed by the Bonds, or the suitability thereof for the purposes or needs of the Institution.

(9) The Purchaser has not relied upon the determination of the Issuer to issue the Bonds as evidence of an evaluation of the financial condition or creditworthiness of the Institution, or of the suitability of the Project for the use or purposes of the Institution.

(10) The Purchaser understands and agrees that the Issuer does not in any way represent that the insurance with respect to the Project required by the Bond Purchase and Loan Agreement, whether in scope of coverage or limits of coverage, is adequate or sufficient to protect the business or interest of the Institution.

(11) The Purchaser is a Massachusetts chartered bank and a “Qualified Institutional Buyer” within the meaning of Rule 144A promulgated by the United States Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Receipt and Certificate as of March
29, 2019.

BOSTON PRIVATE BANK & TRUST COMPANY

By: Thatcher Freeborn
Name: THATCHER FREEBORN
Title: SVP

[Signature Page to Receipt and Certificate of the Purchaser]

Transcript Document No. 20

Opinion of Squire Patton Boggs

March 29, 2019

Essex County Capital Resource Corporation
7556 Court Street
Elizabethtown, New York

North Country School
4382 Cascade Road
Lake Placid, New York 12946

Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109

Re: \$7,100,000 Essex County Capital Resource Corporation
North Country School Revenue Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel to our client, the Essex County Capital Resource Corporation (the "Issuer"), a not-for-profit local development corporation organized under the laws of the State of New York (the "State"), including in particular Section 1411 of the Not-for-Profit Corporation Law of the State, as amended (the "Act") in connection with the issuance by the Issuer of its (i) \$5,800,000 North Country School Revenue Bonds, Series 2019A and (ii) \$1,300,000 North Country School Revenue Bonds, Series 2019B, dated the date of this letter (collectively, the "Bonds").

The Bonds are being issued by the Issuer for the benefit of the North Country School (the "Institution"). The Bonds are issued pursuant to the Act, a bond resolution adopted by the Issuer on February 21, 2019 (the "Bond Resolution") and the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement"), among the Issuer, the Institution and Boston Private Bank & Trust Company (the "Bondholder"). Capitalized terms not otherwise defined in this letter are used as defined in the Bond Purchase and Loan Agreement.

47 Offices in 21 Countries

Squire Patton Boggs (US) LLP is part of the international legal practice Squire Patton Boggs, which operates worldwide through a number of separate legal entities.

Please visit squirepattonboggs.com for more information.

In our capacity as bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bonds, the Bond Purchase and Loan Agreement, the Assignment of Bond Purchase and Loan Agreement, dated as of March 1, 2019 from the Issuer to the Bondholder (the "Assignment of Bond Purchase and Loan Agreement"), the Assignment of Mortgage, dated as of March 29, 2019 from the Issuer to the Bondholder (the "Assignment of Mortgage), the Assignment of Negative Pledge Agreement, dated as of March 29, 2019 from the Issuer to the Bondholder (the "Assignment of Negative Pledge Agreement"), the Hazardous Materials Indemnity Agreement, dated as of March 29, 2019 by and among the Institution, the Bondholder and the Issuer (the "Hazardous Materials Indemnity Agreement") and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter. The Bond Purchase and Loan Agreement, the Assignment of Bond Purchase and Loan Agreement, the Assignment of Mortgage, the Assignment of Negative Pledge Agreement and the Hazardous Materials Indemnity Agreement are herein referred to collectively as the "Issuer Documents."

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law:

1. The Issuer is a not-for-profit local development corporation duly organized, validly existing and in good standing under the Act.
2. The Issuer has the full power and authority to adopt the Bond Resolution of the Issuer relating to the Project, which Bond Resolution has been duly adopted by the directors of the Issuer and complies with the requirements of the laws of New York, and such Bond Resolution has not been supplemented, amended, or repealed and remains in full force and effect on the date hereof.
3. The Issuer has complied with all of the requirements of New York law with respect to the authorization, issuance, execution and delivery of the Bonds. The Issuer has the full power and authority to, and has duly authorized the issuance, execution, delivery and performance of, the Issuer Documents.
4. The Issuer Documents have been duly authorized, executed and delivered by the Issuer, and (assuming the due authorization, execution and delivery by the other respective parties thereto) the Issuer Documents constitute legal, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms. The foregoing opinions are qualified to the extent that (i) the enforceability of the Issuer Documents may be limited by bankruptcy, insolvency or other law or enactment now or hereafter enacted by the State or the federal government affecting the enforcement of creditors' rights, (ii) enforceability of such agreements may be limited by the application of principles of equity; and (iii) certain remedies provided for in such agreements may be affected by applicable laws but such laws do not, in our opinion, make the remedies available in respect thereof inadequate for the practical realization of the rights intended to be afforded thereby.

5. The Bonds have been authorized, executed and delivered by the Issuer and are legal, valid and binding limited obligations of the Issuer, payable solely from the revenues and other monies of the Issuer derived from the payments made by the Institution to the Issuer pursuant to the Bond Purchase and Loan Agreement and are enforceable in accordance with their respective terms.

6. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act").

7. The Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State, the County of Essex (the "County") or of any other political subdivision of said State is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State or the County, and neither said State nor the County are liable for the payment thereof.

8. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations however, interest on the Bonds is included in the calculation of a corporation's adjusted current earnings for purposes of, and thus may be subject to, the corporate alternative minimum tax (applicable only to taxable years beginning before January 1, 2018). Interest on the Bonds is exempt from personal income taxes imposed by the State and political subdivisions of said State, including The City of New York and the City of Yonkers. We express no opinion as to any other tax consequences regarding the Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In issuing all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined, (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the Issuer and (iii) the correctness of the legal conclusions contained in the legal opinion letters of Briggs Norfolk LLP, counsel to the Issuer and Locke Lord LLP, counsel to the Institution, delivered in connection with this matter.

In issuing those opinions with respect to the treatment of interest on the Bonds under the federal tax laws, we further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the Issuer and the Institution. Failure to comply with certain of those covenants subsequent to issuance of the Bonds may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

Essex County Capital Resource Corporation
North Country School
Boston Private Bank & Trust Company
March 29, 2019
Page 4

In issuing those opinions with respect to the treatment of the interest on the Bonds under the federal tax laws, we also further assume the correctness of, and rely on the opinion of Locke Lord LLP, counsel to the Institution, regarding the status of the Institution under Section 501(c)(3) of the Code, which opinion is subject to a number of qualifications and limitations. We also assume the correctness of, and rely upon the accuracy of, representations of the Institution concerning the use of the facilities financed with the Bonds in activities that are considered “unrelated trade or business” activities of the Institution, as defined in Section 513(a) of the Code. Failure of the Institution to maintain its qualification as an organization described in Section 501(c)(3) of the Code, or to use the facilities financed by the Bonds in a manner that is substantially related to the Institution’s exempt purpose under Section 513(a) of the Code, may cause interest on the Bonds to be included in gross income retroactively to the date of the issuance of the Bonds.

We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Bonds or the Issuer Documents. Furthermore, we express no opinion with respect to the status or quality of title to, or interest in, any of the real, personal or intangible property and other assets described in, or subject to, the pledge or lien granted in the Issuer Documents or the priority of, or, any pledge or lien on any such assets.

The opinions rendered in this letter are stated only as of this date, and no other opinion shall be implied or inferred as a result of anything contained in or omitted from this letter. Our engagement as bond counsel with respect to the Bonds has concluded on this date.

Very truly yours,

A handwritten signature in black ink that reads "Squi Patton Bagg (US) UP". The signature is written in a cursive, flowing style.

Opinion of Briggs Norfolk LLP, Esq., General Counsel to the Issuer

BRIGGS NORFOLK LLP

2296 SARANAC AVENUE

LAKE PLACID, NEW YORK 12946

WWW.BRIGGSNORFOLK.COM

RONALD J. BRIGGS*
MATTHEW D. NORFOLK
JENIFER R. BRIGGS
ANN E. CANTWELL

TEL: 518.523.5555
FAX: 518.523.5559†
†FACSIMILE SERVICE NOT ACCEPTED
*ALSO ADMITTED IN SOUTH CAROLINA

March 29, 2019

Essex County Capital Resource Corporation
7556 Court Street
Elizabethtown, New York

North Country School
4382 Cascade Road
Lake Placid, New York 12946

Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109

Squire Patton Boggs (US) LLP
30 Rockefeller Plaza
New York, New York 10112

Re: \$7,100,000 Essex County Capital Resource Corporation North Country School
Revenue Bonds, Series 2019

Ladies and Gentlemen:

We have acted as counsel to the Essex County Capital Resource Corporation (the "Issuer") in connection with the preparation of the following:

A. a resolution adopted by the Issuer on February 21, 2019 (the "Bond Resolution") authorizing the issuance, execution, sale and delivery of the Issuer's \$7,100,000 Essex County Capital Resource Corporation (the "Bonds") issued for the purpose of providing funds for a project (the "Project") as described in the Bond Resolution;

B. the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement") by and among the Issuer, North Country School (the "Institution") and Boston Private Bank & Trust Company (the "Bondholder"), pursuant to which the Issuer will loan the proceeds from the sale of the Bonds to the Institution to

finance the costs of the Project;

C. the Assignment of Bond Purchase and Loan Agreement, dated as of March 29, 2019 from the Issuer to the Bondholder (the "Assignment of Bond Purchase and Loan Agreement");

D the Bonds;

E. the Negative Pledge Agreement, dated as of March 29, 2019 between the Institution and the Issuer.

F. the Assignment of Negative Pledge Agreement, dated as of March 29, 2019 from the Issuer to the Bondholder (the "Assignment of Negative Pledge Agreement");

G. the Assignment of Mortgage, dated as of March 29, 2019 from the Issuer to the Bondholder (the "Assignment of Mortgage");

H. the Hazardous Materials Indemnity Agreement, dated as of March 29, 2019 by and among the Institution, the Bondholder and the Issuer (the "Hazardous Materials Indemnity Agreement"); and

I. a tax certificate and agreement, dated as of March 29, 2019 (the "Tax Certificate and Agreement") by and between the Issuer and the Institution.

All in connection with the issuance by the Issuer of the Bonds for the purpose of loaning the proceeds of the Bonds to the Institution to finance the cost of the Project for the benefit of the Institution and paying necessary expenses incidental thereto. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Bond Purchase and Loan Agreement.

We have, as counsel to the Issuer, examined original or certified copies of the proceedings of the Issuer taken with respect to the Project, as well as certificates of the Issuer's officers, a certified copy of the Bond Resolution, executed counterparts of the Bonds, the Bond Purchase and Loan Agreement, the Assignment of Bond Purchase and Loan Agreement, the Assignment of Negative Pledge Agreement, the Assignment of Mortgage, and the Hazardous Materials Indemnity Agreement and all other documents executed by the Issuer in connection with this transaction (collectively, the "Issuer Documents"). We have also examined such statutes, court decisions, proceedings and other documents as we have considered necessary or appropriate under the circumstances to render the following opinions.

Based upon our examination of the foregoing, and in reliance upon the matters and subject to the limitations contained in the concluding paragraphs of this opinion, we are of the opinion (except that no opinion is given with respect to any federal or state securities law or any law concerning zoning or subdivision matters or as to the law of any jurisdiction

other than the State of New York) that:

1. The Issuer is a local development corporation created pursuant to the Not-for-Profit Corporation Law of the State of New York (the "Act") and is duly organized and existing under the laws of the State of New York.

2. The members, directors, and officers of the Issuer identified in the Issuer's general certificate delivered on this date have been duly appointed as such members and directors and duly appointed or elected as such officers and are qualified to serve as such.

3. The Bond Resolution has been duly adopted by the Issuer, complies with the procedural rules of the Issuer and the requirements of the laws of the State of New York, and the Bond Resolution has not been supplemented, amended, or repealed and remains in full force and effect on the date hereof.

4. The Issuer has complied with all of the requirements of New York law with respect to the authorization, execution and delivery of the Bonds. The Issuer has duly authorized the execution, delivery and performance of the Issuer Documents.

5. The making and performance by the Issuer of the Issuer Documents and the consummation of the transactions on the part of the Issuer therein contemplated will not violate any applicable provision of any applicable law, regulation, decree, writ, order or injunction or any applicable provision of the Act, and will not contravene the provisions of or constitute a default under any material term of any agreement, indenture, bond resolution or other instrument to which the Issuer is a party or by which the Issuer is bound.

6. The Issuer Documents have been duly authorized by all necessary action on the part of the Issuer, have been duly executed and delivered by authorized officers of the Issuer and, assuming the due authorization, execution and delivery of same by the other parties thereto, constitute legal, valid and binding special obligations of the Issuer enforceable in accordance with their respective terms, except to the extent that enforcement thereof may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity.

7. The Bonds have been duly authorized, executed and delivered by the Issuer and constitute legal, valid and binding special obligations of the Issuer enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity.

8. There is no action, litigation, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body, pending or, to our knowledge, threatened against or affecting the Issuer, wherein an unfavorable decision, ruling or

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Essex County CRC
North County School Project

finding would in any way (a) question the corporate existence of the Issuer or the right of any of its officers to their respective offices, (b) prohibit, restrain, or enjoin the undertaking of the Project or the issuance, sale or delivery of the Bonds or (c) question or adversely affect the validity or enforceability of the Bonds, the Indenture or any other Issuer Documents.

This opinion is rendered as of the date hereof, and no opinion is expressed as to matters referred to herein on any subsequent date. All counsel to any of the parties to this transaction may rely on this opinion as if it were addressed specifically to them.

Very truly yours,

Briggs Norfolk LLP

By:


Jenifer R. Briggs

Opinion of Locke Lord LLP, Counsel to the Institution, required by Section 2.02(b)(vii) of the Bond Purchase and Loan Agreement

March 29, 2019

Essex County Capital Resource Corporation
7566 Court Street
Elizabethtown, New York 12932

Boston Private Bank & Trust Company, as Bondholder
10 Post Office Square
Boston, Massachusetts 02109

Squire Patton Boggs (US) LLP
30 Rockefeller Plaza, 23rd Floor
New York, New York 10112

As special counsel for North Country School (the "Institution"), we have been requested to furnish you with an opinion in connection with: (i) the proposed issue by the Essex County Capital Resource Corporation (the "Issuer") of \$7,100,000 principal amount of North Country School Revenue Bonds, Series 2019A and 2019B (the "Bonds"); and (ii) the \$1,000,000 line of credit (the "Line of Credit") from Boston Private Bank & Trust Company (the "Bank") to the Institution.

We have acted as special counsel to the Institution in connection with (i) the authorization, issuance, sale and delivery of the Bonds and (ii) the authorization and entering into of the Line of Credit. All references in this opinion to instruments and other defined terms shall mean the instruments and other terms as defined in the Bond Purchase and Loan Agreement dated as of March 1, 2019 (the "Bond Purchase and Loan Agreement") among the Issuer, the Institution and the Bank, as Bondholder.

We have reviewed and relied upon the provisions of an executed copy of each of the following documents:

1. The Bond Purchase and Loan Agreement;
2. Continuing Covenants Agreement dated March 29, 2019, between the Institution and the Bank;
3. Negative Pledge Agreement dated March 29, 2019, between the Institution and the Issuer;
4. Security Agreement (All Assets) dated March 29, 2019, between the Institution and the Bank (the "Security Agreement");

Essex County Capital Resource Corporation
Boston Private Bank & Trust Company
Squire Patton Boggs (US) LLP
March 29, 2019
Page 2

5. Pledge Agreement (Account) dated March 29, 2019, between the Institution and the Bank (the "Pledge Agreement");
6. Pledged Asset Agreement for Collateral Loans dated March 29, 2019, among the Institution, the Bank, TD Ameritrade Inc. ("TD Ameritrade") and TD Ameritrade Clearing, Inc. (the "DACA");
7. Assignment of Construction Contracts dated March 29, 2019, between the Institution and the Bank;
8. Hazardous Materials Indemnity Agreement dated March 29, 2019, between the Institution and the Bank;
9. Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated March 29, 2019, between the Institution and the Issuer (the "Issuer Mortgage");
10. Tax Certificate and Agreement dated March 29, 2019 between the Institution and the Issuer;
11. Loan Agreement dated March 29, 2019, between the Institution and the Bank;
12. Demand Revolving Line of Credit Note dated March 29, 2019, from the Institution to the Bank; and
13. Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated March 29, 2019, between the Institution and the Bank (the "Bank Mortgage" and together with the Issuer Mortgage, the "Mortgages") (the documents listed in items 1-13 hereinafter referred to as the "Financing Documents").

We have also examined such public records and other documents and materials, including, among others, a determination letter from the Internal Revenue Service that the Institution is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (or a predecessor provision) (the "Code"), and made such investigation and such examination of law as we have deemed necessary under the circumstances in connection with this opinion. We have also relied on certificates of public officials and, as to factual matters material to our opinions, upon representations contained in the Financing Documents and in certificates and other inquiries of officers of the Institution.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as

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Page 3

copies. For purposes of this opinion, we have assumed that the Financing Documents constitute valid and binding obligations of the parties thereto other than the Institution.

For purposes of this opinion, we have also assumed without independent investigation that: (a) the Institution has rights in those portions of the Collateral (as defined in the Security Agreement, the "Collateral") owned by it and in which a security interest may be perfected under the Uniform Commercial Code (the "UCC") of the State of New York (the "State" or "New York"); (b) the Institution will have rights in any additional property owned by it and which becomes such Collateral after the date hereof; (c) "value" has been given in accordance with Section 1-204 of the UCC for the security interests and other rights in the Collateral; (d) all necessary filings and recordations and payments of fees, charges and taxes in connection with the Security Agreement and the Pledge Agreement required under the laws of the State will be or have been timely and properly made; and (e) there are no provisions in the client agreement between the Institution and TD Ameritrade that are inconsistent with the provisions of the DACA, that Massachusetts is TD Ameritrade's jurisdiction for purposes of Article 9 of the UCC as it applies to the DACA and the account agreement related thereto and that TD Ameritrade has not received any request or instruction from any third party to hold property in the securities account that is the subject of the DACA for any person or entity other than the Institution or accept instructions from any person or entity other than the Bank and the Institution, nor has it agreed to do so. We have also examined the UCC-1 financing statement (the "Financing Statement") naming the Institution as a debtor and the Bank as a secured party and identifying the Collateral, which Financing Statement is to be filed with the New York Department of State (the "Filing Office").

The opinions herein are limited to matters of law solely on applicable provisions of the following as currently in effect: (a) the federal laws of the United States of America; and (b) the laws of the State and of The Commonwealth of Massachusetts; provided, however, that the opinions expressed herein are based upon a review of those laws, statutes and regulations that, in our experience, are generally recognized as applicable to the transactions contemplated in the Financing Documents, and in any event, the laws described in clauses (a) and (b) above shall not include (and we express no opinion as to): (i) local or state laws governing licenses, permits or approvals necessary for the conduct of the Institution's business; (ii) the Employee Retirement Income Security Act of 1974, as amended; (iii) any federal or state securities, banking, insurance regulation, antitrust, unfair competition, or usury laws; (iv) except for the opinion in paragraph 4 below, any tax laws or any rules or regulations with respect thereto; (v) any applicable land use, building, zoning, subdivision, safety, environmental protection, hazardous waste cleanup, wetlands, or handicapped access laws or regulations; (vi) any laws relating to copyright, patent, trademark, license or other intellectual property matters; or (vii) any laws, regulations, executive orders or government programs designed to combat terrorism, money laundering or racketeering;

and we express no opinions as to any other laws, statutes, rules or regulations not specifically identified above that are otherwise excluded in this opinion letter.

We express no opinion with respect to:

- A. the effect of any provision of any Financing Document that increases the rate of interest upon any default or imposes a late fee to the extent either is determined to be a penalty;
- B. the enforceability of any provision of any Financing Document providing for collection of interest on overdue interest;
- C. the effect of any provision of any Financing Document waiving any legal right to the extent that such waiver would violate public policy;
- D. the effect of any provision of any Financing Document that purports to grant rights of set-off or similar rights: (i) other than in accordance with applicable law; (ii) to the extent the Bank or other person is authorized to set off against funds on deposit in the Institution's accounts that were accepted by the Bank or such other person with the intent to apply such funds to a preexisting claim rather than to hold the funds subject to withdrawals in the ordinary course; or (iii) to the extent that the funds on deposit in said accounts are in any manner special accounts, which by the express terms on which they are created, are made subject to the rights of a third party;
- E. any person's title or rights to title to any assets, insofar as we have not been asked to and are not giving an opinion on the sufficiency of title;
- F. the enforceability of any provision of the Financing Documents purporting to establish evidentiary standards;
- G. the effect of any provision of any Financing Document to the extent that it provides for recourse or exercise of any remedial rights in the absence of notice and a hearing;
- H. the grant of powers of attorney which is against public policy;
- I. any exculpation or indemnification provisions contained in any Financing Document, insofar as the Issuer and the Bank are disabled from enforcement by matters internal to themselves, or to the extent that the exculpation or indemnification provisions therein are contrary to public policy;

J. the enforceability of any provision of the Financing Documents relating to the appointment of a receiver;

K. the enforceability of any provision providing for the exclusive choice of venue or any submission to the exclusive jurisdiction of any court or courts;

L. the priority or, except for the opinions set forth in paragraphs 6 through 9 below, the validity or perfection of any lien or security interest in the Collateral granted pursuant to any Financing Document;

M. the perfection of any security interest: (i) in any collateral of a type represented by a certificate of title, deposit accounts, fixtures, as-extracted collateral or timber to be cut; (ii) in any proceeds of any Collateral; (iii) in any Collateral consisting of money or cash equivalents; (iv) in any insurance policy or the proceeds thereof; or (v) in any commercial tort claim;

N. the perfection or validity of any security interest to the extent the validity, perfection or effect of perfection thereof are excluded from Article 9 of the UCC;

O. the effect of Section 552 of the Bankruptcy Code (11 U.S.C. §552) (relating to property acquired by a debtor after the commencement of a case under the United States Bankruptcy Code with respect to such debtor) and Section 506(c) of the Bankruptcy Code (11 U.S.C. §506(c)) (relating to certain costs and expenses of a trustee in preserving or disposing of collateral);

P. the attachment, perfection or priority of any interest in real estate granted in the Mortgages; and

Q. the collection of any quantum of legal fees upon or subsequent to a default.

Our opinions below are subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors and to general principles of equity, regardless of whether considered in a proceeding in equity or at law, and to public policy decisions. We also call your attention to the fact that no judgment can be rendered in favor of the Issuer or the Bank (or their respective successor or assigns) with respect to the Mortgages or the assignment of leases and rents contained therein until such time as the Mortgages are recorded and any mortgage recording taxes thereon are paid with any interest or penalties due as a result of a late filing.

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Boston Private Bank & Trust Company
Squire Patton Boggs (US) LLP
March 29, 2019
Page 6

We note that the DACA states that it is governed by Nebraska law. For purposes of this opinion, we have assumed that the DACA is stated to be governed by the internal laws of the State of New York.

When used in this opinion, the phrase “to our knowledge” or an equivalent phrase limits the statements it qualifies to the actual knowledge of the lawyers in this firm responsible for preparing this opinion after such inquiry as they deemed appropriate.

Based on the foregoing and subject to the additional qualifications set forth below, we are of the opinion that:

1. The Institution is a non-profit corporation validly existing and in good standing under the laws of the State with full corporate power to execute and deliver the Financing Documents and to perform its obligations thereunder.

2. The Institution has duly authorized, executed and delivered the Financing Documents, and such Financing Documents constitute its valid and binding obligations, enforceable against the Institution in accordance with their respective terms.

3. The execution and delivery of the Financing Documents do not, and the performance by the Institution of its obligations thereunder will not (i) violate New York, Massachusetts or federal law, as applicable, (ii) violate any court order, judgment or decree applicable to it and known to us, (iii) result in a breach of, or constitute a default under, or result in the creation of a lien or a right of acceleration or other advance payment, or a right of termination exercisable by the other party under, any material agreement or instrument to which it is a party known to us, or (iv) violate its charter or bylaws.

4. The Institution is an organization described in Section 501(c)(3) of the Code, and as such has been determined by the Internal Revenue Service to be exempt from federal income taxation under Section 501(a) of the Code or a predecessor provision, with the exception of taxation of any income deemed to be unrelated business taxable income and any amounts deemed taxable by virtue of Section 511 of the Code.

5. No consent, approval, license or exemption by, order or authorization of, or filing, recording or registration with, any governmental authority is required to be obtained or made by the Institution prior to the date hereof in connection with the financing of the Project by the Bonds and the Institution’s performance of its obligations pursuant to the Financing Documents other than those that have been obtained or made, and other than those required to be filed to perfect liens upon the Collateral.

6. The provisions of the Security Agreement create a security interest in favor of the Bank in the Collateral described therein in which a security interest can be created under the UCC.

7. The provisions of the Pledge Agreement create a security interest in favor of the Bank in the Investment Account and the Pledged Securities (each as defined therein) in which a security interest can be created under the UCC.

8. The Financing Statement is in appropriate form for filing in the Filing Office, which is the only office in the State in which financing statements are required to be filed in order to perfect by filing the security interests granted to the Bank in such Collateral in which a security interest may be perfected by the filing of UCC-1 Uniform Commercial Code financing statements under Article 9 of the UCC. Upon the filing and due recording and indexing of the Financing Statement in the Filing Office and the payment of applicable filing fees for such filing, the Bank will have a perfected security interest in such Collateral, to the extent that a security interest may be perfected by the filing of UCC-1 Uniform Commercial Code financing statements under Article 9 of the UCC.

9. The provisions of the DACA are effective to perfect by control the security interest granted to the Bank in the portion of the Investment Account constituting a "securities account" (as defined by the UCC).

We call your attention to the following:

i. The effectiveness of a UCC-1 financing statement terminates five years after the date of filing unless a continuation statement is filed within the period of six months prior to the expiration of such financing statement.

ii. Section 9-507(c) of the UCC provides that if a debtor so changes its name that a filed financing statement becomes seriously misleading under Section 9-506 of the UCC, the filing is not effective to perfect a security interest in collateral acquired by the debtor more than four months after such change unless a new appropriate financing statement is filed before the expiration of that period.

iii. If a debtor changes its location to a new state or jurisdiction as determined pursuant to Section 9-307 of the UCC, Section 9-316 of the UCC requires that a new appropriate financing statement be filed in such new state or jurisdiction within four months after such change to continue perfection of the security interest.

Essex County Capital Resource Corporation
Boston Private Bank & Trust Company
Squire Patton Boggs (US) LLP
March 29, 2019
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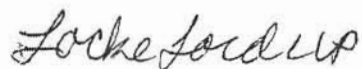
iv. Each security interest referred to herein may be affected in the future by circumstances covered by Section 9-210 and 9-625(g) of the UCC.

v. Under certain circumstances described in (i) Sections 9-320, 9-323 and 9-330 of the UCC, purchasers, and (ii) Section 2A-307 of the UCC, lessees of Collateral may take the same free of a perfected security interest.

vi. The security interests granted under the Security Agreement and the enforcement of the Bank's rights therein are subject to Sections 9-407, 9-408 and 9-409 of the UCC.

In addition to the foregoing opinions, we inform you that, to our knowledge, without having made independent investigation, no action, suit or proceeding to which the Institution is a party is pending or is overtly threatened in writing against the Institution that challenges the validity or enforceability of or seeks to enjoin the performance of the Financing Documents or the validity of the Bonds.

This opinion speaks only as of its date, and we undertake no obligation to update it for any subsequent events or legal developments. This opinion is being furnished only to you for use solely in connection with the transaction described above and may not be relied on without our prior written consent for any other purpose or by anyone else.



LOCKE LORD LLP

Approval of the Essex County Legislature and Evidence of Public Hearing and Approval

**NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF BONDS AND FINANCIAL ASSISTANCE**

NOTICE IS HEREBY GIVEN to all interested parties that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by the Essex County Capital Resource Corporation (the "Corporation") on December 21, 2018 at 9:00 a.m., local time, at the offices of the Corporation located at 7566 Court Street, Elizabethtown, New York, in connection with the following matters:

This is a notice for a public hearing to authorize up to \$9,000,000 of tax-exempt revenue bonds of the Corporation, the interest on which will be excluded from gross income for federal income tax purposes for the project described below.

North Country School and Camp Treetops, a New York not-for-profit 501(c)(3) corporation, and its successors and assigns (the "School"), located in the Town of North Elba, County of Essex, State of New York, has applied to the Essex County Capital Resource Corporation (the "Corporation") to issue tax-exempt revenue bonds in one or more series as part of a plan of finance in an aggregate principal amount not to exceed \$9,000,000 (the "Bonds"). The Corporation plans to issue the Bonds for the purpose of financing a project consisting of (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), (iii) the refinancing of outstanding indebtedness of the School, (iv) certain costs of issuance (hereinafter collectively referred to as the "Project"), all of the Facilities of which are to be located at 4382 Cascade Road, Lake Placid, New York 12946 and (v) lending the proceeds of the Bonds pursuant to a loan agreement by and between the School and the Corporation (the "Agreement") to the School to finance the Project (the "Financial Assistance"). The Facilities and the Equipment will be owned by the School. It is intended that interest on the Bonds in the aggregate principal amount of not more than \$9,000,000 will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 145 of the Code. To the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*.

The Project will be subject to the Agreement requiring that the School make payments equal to the debt service on the Bonds and make certain other payments. Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations"), the Corporation has determined that the Project does not have a "significant effect on the environment" (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of a draft environmental information statement. Such determination shall be and shall be deemed to be in conformity with similar determinations issued by the Adirondack Park Agency.

At said public hearing the Corporation will discuss and determine (i) the applicability of the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State of New York (collectively, the "Act") relating to the Project's eligibility for financial assistance, (ii) the Corporation's requirement of cooperation, indemnify and hold harmless from the School in the Corporation's colorable and good faith compliance with the Act, and (iii) the issuance of the Bonds to finance the Project.

The Bonds will be special obligations of the Corporation payable solely from revenue derived from the School or the Facilities under the Agreement. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE TOWN OF NORTH ELBA OR THE COUNTY OF ESSEX, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE TOWN OF NORTH ELBA OR THE COUNTY OF ESSEX, SHALL BE LIABLE THEREON.

The Corporation will at the above-stated time and place hear all persons with views in favor of or opposed to the proposed Financial Assistance to be provided to the School and the issuance of the Bonds.

A report of the hearing will be made available to the Board of Supervisors of Essex County, New York. Approval of the issuance of the Bonds by Essex County, through the County Board of Supervisors, is necessary in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. This notice will be published in a newspaper in general circulation in the County of Essex at least fifteen (15) days prior to the date set for the hearing.

Dated: December 6, 2018

ESSEX COUNTY CAPITAL
RESOURCE CORPORATION

Darren Darrah, Chairman

PRESS REPUBLICAN
473 THIRD STREET
NIAGARA FALLS NY 14301
(518)561-2300

ORDER CONFIRMATION (CONTINUED)

Salesperson: Legal Ads

Printed at 12/05/18 12:36 by bupto

Acct #: 5051

Ad #: 1360804

Status: N

Small vertical text on the left side of the page, likely a list of items or a detailed order confirmation, including various alphanumeric codes and descriptions.

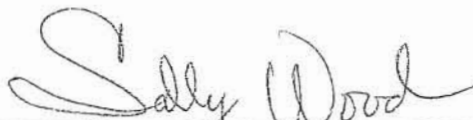
State of New York
Clinton County, ss.:

ESSEX CO INDUSTRIAL DEV
7566 COURT ST
P O BOX 217
ELIZABETHTOWN NY 12932

Legal Advertising

Brenda Upton of the City of Plattsburgh, in said county, being duly sworn, doth depose and say that (s)he is the clerk of The Plattsburgh Publishing Co., publishers and printers of the newspaper entitled The Press Republican, printed and published daily and Sunday in the City of Plattsburgh, in said county, and that the advertisements covered on the attached copy have appeared in said newspaper on the dates indicated.





Notary Public

Sally Wood
Notary Public State of New York
Clinton County
Lic. #01WC6243667
Comm. Exp. June 20, 2019

PUBLICATION	EXPIRE DATE	AD CAPTION	# TIMES	AMOUNT
PRESS REPUBLICAN	12/09/2018	NOTICE OF PUBLIC HEARING	1	123.14

START DATE: 12/09/2018 END DATE: 12/09/2018



ESSEX COUNTY IN THE PARK
INDUSTRIAL DEVELOPMENT AGENCY

7566 Court Street • P.O. Box 217 • Elizabethtown, NY 12932
(518) 873-9114 • Fax (518) 873-2011 • E-mail: info@essexcountyida.com
Web Site: www.essexcountyida.com

A public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") was held by the Essex County Capital Resource Corporation (the "Corporation") on December 21, 2018 at 9:00 a.m., local time, at the offices of the Corporation located at 7566 Court Street, Elizabethtown, New York, in connection with the following matters: to authorize up to \$(US)9,000,000 of tax-exempt revenue bonds of the Corporation, the interest on which will be excluded from gross income for federal income tax purposes for the project described below. North Country School, a New York not-for-profit 501(c)(3) corporation, and its successors and assigns (the "School"), located in the Town of North Elba, County of Essex, State of New York, has applied to the Essex County Capital Resource Corporation (the "Corporation") to issue tax-exempt revenue bonds in one or more series as part of a plan of finance in an aggregate principal amount not to exceed \$(US)9,000,000 (the "Bonds"). The Corporation plans to issue the Bonds for the purpose of financing a project consisting of, among other things (i) the construction of an approximately 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, and renovation of Hike House (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), (iii) the refinancing of outstanding indebtedness of the School, (iv) certain costs of issuance (hereinafter collectively referred to as the "Project"), all of the Facilities of which are to be located at 4382 Cascade Road, Lake Placid, New York 12946 and (v) lending the proceeds of the Bonds pursuant to a loan agreement by and between the School and the Corporation (the "Agreement") to the School to finance the Project (the "Financial Assistance"). The Facilities and the Equipment will be owned by the School. It is intended that interest on the Bonds in the aggregate principal amount of not more than \$(US)9,000,000 will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 145 of the Code. To the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*. The Project will be subject to the Agreement requiring that the School make payments equal to the debt service on the Bonds and make certain other payments. Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations"), the Corporation has determined that the Project does not have a "significant effect on the environment" (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of a draft environmental information statement. Such determination shall be and shall be deemed to be in conformity with similar determinations issued by the Adirondack Park Agency. At said public hearing the Corporation will discuss and determine (i) the applicability of the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State of New York (collectively, the "Act") relating to the Project's eligibility for financial assistance, (ii) the Corporation's requirement of

cooperation, indemnify and hold harmless from the School in the Corporation's colorable and good faith compliance with the Act, and (iii) the issuance of the Bonds to finance the Project. The Bonds will be special obligations of the Corporation payable solely from revenue derived from the School or the Facilities under the Agreement. The bonds shall not be a debt of the State of New York or any political subdivision thereof, including, without limitation, the town of North Elba or the County of Essex, and neither the State of New York nor any political subdivision thereof, including, without limitation, the Town of North Elba or the County of Essex, shall be liable thereon.

Present: Darren Darrah
 John Boyea (conference call)
 Jamie Rogers
 James Bowen (conference call)
 Gerald Morrow (conference call)
 James Monty (conference call)

Also Present: Fritz Sabbow, North Country School
 Jody Olcott
 Carol Calabrese

The public hearing was opened at 9:01AM by Chairman Darrah. There were no public in attendance and no written comments received. Public hearing was closed at 9:16AM.

Security Agreement (all assets)

SECURITY AGREEMENT (All Assets)

This **SECURITY AGREEMENT**, dated as of March 29, 2019 (this "Agreement"), is by and between **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the "Institution"), and **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (the "Bank").

WHEREAS, The Essex County Capital Resource Corporation (the "Issuer") is issuing and selling to the Bank, and the Bank is purchasing from the Issuer an aggregate of \$7,100,000 in principal amount of the Issuer's North Country School Revenue Bonds, Series 2019A and Series 2019B (together with any bonds issued in exchange or replacement therefor, the "Bonds");

WHEREAS, the Bonds are being issued pursuant to the Bond Purchase and Loan Agreement, dated as of March 29, 2019 (the "Loan Agreement"), among the Issuer, the Institution and the Bank;

WHEREAS, the proceeds of the Bonds are being loaned to the Institution to finance and refinance certain capital improvements to the Institution's campus, including the construction of a new performing arts center, improvements to the Institution's waste treatment facilities and the renovation of Hansen House, Hike House, Round Lake Cottage and a teaching/learning kitchen, to refinance certain outstanding indebtedness used to finance a portion of the costs of the foregoing capital improvements, and to pay costs of issuance, all as further described in the Loan Agreement (collectively, the "Project");

WHEREAS, simultaneously with the issuance of the Bonds, the Bank is extending a line of credit to the Institution, in the stated principal amount of \$1,000,000 (the "Line of Credit"), to support the Institution's working capital needs, pursuant to a Loan Agreement, dated as of March 29, 2019 (the "RLOC Loan Agreement"), between the Institution and the Bank, and a Demand Revolving Line of Credit Note, dated March 29, 2019 (the "Note"), from the Institution to the Bank;

WHEREAS, in connection with the issuance of the Bonds and the extension of the Line of Credit, the Institution has entered into a Continuing Covenants Agreement, dated as of March 29, 2019 (the "Covenants Agreement"), between the Institution and the Bank;

WHEREAS, it is a condition precedent to the Bank's purchasing and holding the Bonds, extending the Line of Credit to the Institution or otherwise extending credit to the Institution that the Institution execute and deliver to the Bank a security agreement in substantially the form hereof; and

WHEREAS, the Institution wishes to grant security interests in favor of the Bank as herein provided;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS. All capitalized terms used herein without definitions shall have the meanings provided therefore in the Covenants Agreement.

1.1. The term “State,” as used herein, means the State of New York.

1.2. All terms defined in the Uniform Commercial Code of the State and used herein shall have the same definitions herein as specified therein. However, if a term is defined in Article 9 of the Uniform Commercial Code of the State differently than in another Article of the Uniform Commercial Code of the State, the term has the meaning specified in Article 9.

1.3. The term “Gross Receipts,” as used herein, means all receipts, revenues, rentals, income, and other moneys received by or on behalf of the Institution from any source, including, without limitation, all rights to receive the same whether in the form of accounts, accounts receivable, contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, and the proceeds of any insurance thereon, all of the foregoing, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Institution, but excluding receipts which are restricted so as to not be legally available to pay debt service or otherwise satisfy the Obligations.

1.4. The term “Obligations,” as used herein, means all of the indebtedness, obligations and liabilities of the Institution to the Bank, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of the Loan Agreement, the RLOC Loan Agreement or any other Financing Document or other instruments or agreements executed and delivered pursuant thereto or in connection therewith or this Agreement. The occurrence of an Event of Default under the Covenants Agreement will constitute an Event of Default hereunder.

1.5. The term “Permitted Liens,” as used herein, shall mean, collectively:

(a) Liens for taxes, assessments, or similar charges, incurred in the ordinary course of business, that are not yet due and payable;

(b) Liens of mechanics, materialmen, warehousemen, carriers, or other like liens, securing obligations incurred in the ordinary course of business that are not yet due and payable;

(c) Liens in favor of the Bank;

(d) Pledges or deposits under workmen’s compensation laws, unemployment insurance, social security, retirement benefits or similar legislation and other non-consensual liens arising due to operation of law;

(e) Liens securing the performance of bids, tenders, contracts (other than for the repayment of borrowed money), statutory obligations and surety bonds arising in the ordinary course of business;

(f) Permitted Encumbrances as defined in the Mortgage; and

(g) Liens listed on **Schedule A** attached hereto and made a part hereof.

2. GRANT OF SECURITY INTEREST. The Institution hereby grants to the Bank, to secure the payment and performance in full of all of the Obligations, a security interest in and pledges and assigns to the Bank the following properties, assets and rights of the Institution, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (collectively, the "Collateral"): all personal and fixture property of every kind and nature including without limitation all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), motor vehicles, documents, accounts (including health care insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, accounts held at the Bank or any affiliate of the Bank (excluding all other accounts) and any securities and other investment property held therein, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, tort claims, all general intangibles (including all payment intangibles) and all Gross Receipts. The Bank acknowledges that the attachment of its security interest in any commercial tort claim as original collateral is subject to the Institution's compliance with Section 4.5.

If any payment required with respect to the Obligations is not made by the Institution when due, any Gross Receipts with respect to which this security interest remains perfected pursuant to law shall be transferred or paid over immediately to the Bank without being commingled with other funds (unless already commingled) and any Gross Receipts thereafter received shall upon receipt be transferred to the Bank in the form received to the extent necessary to cure the deficiency.

3. AUTHORIZATION TO FILE FINANCING STATEMENTS. The Institution hereby irrevocably authorizes the Bank at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of the Institution or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the State or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by Article 9 of the Uniform Commercial Code of the State for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Institution is an organization, the type of organization, and (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Institution agrees to furnish any such information to the Bank promptly upon request. The Institution also ratifies its authorization for the Bank to

have filed in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

4. OTHER ACTIONS. Further to the extent the Bank reasonably deems necessary to insure the attachment, perfection and first priority of, and the ability of the Bank to enforce, the Bank's security interest in the Collateral, the Institution agrees, in each case at the Institution's expense, to take the following actions with respect to the following Collateral:

4.1. PROMISSORY NOTES AND TANGIBLE CHATTEL PAPER. If the Institution shall at any time hold or acquire any promissory notes or tangible chattel paper, the Institution shall, at the Bank's reasonable request and option, forthwith endorse, assign and deliver the same to the Bank, accompanied by such instruments of transfer or assignment duly executed in blank as the Bank may from time to time specify.

4.2. COLLATERAL IN THE POSSESSION OF A BAILEE. If any goods of the Institution are at any time in the possession of a bailee, the Institution shall promptly notify the Bank thereof and, if requested by the Bank, shall promptly obtain an acknowledgement from the bailee, in form and substance satisfactory to the Bank, that the bailee (i) holds such Collateral for the benefit of the Bank, and (ii) shall, following the occurrence of an Event of Default, act upon the instructions of the Bank, without the further consent of the Institution.

4.3. ELECTRONIC CHATTEL PAPER AND TRANSFERABLE RECORDS. If the Institution at any time holds or acquires an interest in any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, the Institution shall promptly notify the Bank thereof and, at the request of the Bank, subject to student and family privacy laws, shall take such action as the Bank may request to vest in the Bank control, under Section 9-105 of the Uniform Commercial Code, of such electronic chattel paper or control under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as in effect in such jurisdiction, of such transferable record.

4.4. LETTER-OF-CREDIT RIGHTS. If the Institution is at any time a beneficiary under a letter of credit now or hereafter issued in favor of the Institution, the Institution shall promptly notify the Bank thereof and, at the request and option of the Bank, the Institution shall, pursuant to an agreement in form and substance satisfactory to the Bank, either (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Bank, following the occurrence of an Event of Default, of the proceeds of any drawing under the letter of credit, or (ii) arrange for the Bank to become, following the occurrence of an Event of Default, the transferee beneficiary of the letter of credit, with the proceeds of any drawing under the letter of credit to be applied to the Obligations.

4.5. COMMERCIAL TORT CLAIMS. If the Institution shall at any time hold or acquire a commercial tort claim, the Institution shall immediately notify the Bank in a writing signed by the Institution of the details thereof and grant to the Bank in such writing a

security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Bank.

4.6. OTHER ACTIONS AS TO ANY AND ALL COLLATERAL. The Institution further agrees to take any other action reasonably requested by the Bank to ensure the attachment, perfection and first priority of, and the ability of the Bank to enforce, the Bank's security interest in any and all of the Collateral including, without limitation, (a) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that the Institution's signature thereon is required therefore, (b) causing the Bank's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Bank to enforce, the Bank's security interest in such Collateral, (c) holding its books and records relating to the Collateral segregated from all the Institution's other books and records in a manner satisfactory to the Bank, (d) delivering to the Bank from time to time promptly at its request, all invoices, original documents of title, contracts, chattel paper, instruments and any other writings relating thereto, and other evidence of performance of contracts, or evidence of shipment or delivery of the merchandise or of the rendering of services, (e) delivering to the Bank promptly at the Bank's request from time to time additional copies of any or all of such papers or writings and such other information with respect to any of the Collateral and such schedules of inventory, schedules of accounts and such other writings as the Bank may in its sole discretion deem to be necessary or effectual to evidence the Bank's security interest in the Collateral, (f) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Bank to enforce, the Bank's security interest in such Collateral, (g) obtaining governmental and other third party consents and approvals, including without limitation any consent of any licensor, lessor or other person obligated on Collateral, (h) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Bank, and (i) taking all actions required by any earlier versions of the Uniform Commercial Code or by other law, as applicable in any relevant Uniform Commercial Code jurisdiction, or by other law as applicable in any foreign jurisdiction.

5. RELATION TO OTHER SECURITY DOCUMENTS. The provisions of this Agreement supplement the provisions of any existing security agreements, pledge agreements, assignments, motor vehicle security documents, real estate mortgages or deeds of trust granted by the Institution to the Bank and securing the payment and performance of any of the Obligations. Nothing contained in any such documents shall derogate from any of the rights or remedies of the Bank hereunder.

6. REPRESENTATIONS AND WARRANTIES CONCERNING INSTITUTION'S LEGAL STATUS. The Institution has previously delivered to the Bank a certificate signed by the Institution and entitled "Perfection Certificate" (the "Perfection Certificate"). The Institution represents and warrants to the Bank as follows: (a) the Institution's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof, (b) the Institution is an organization of the type, and is organized in the jurisdiction, set forth in the Perfection Certificate, (c) the Perfection Certificate accurately sets forth the Institution's place of business or, if more than one, its chief executive office as well as the Institution's

mailing address if different, and (d) all other information set forth on the Perfection Certificate pertaining to the Institution is accurate and complete.

7. COVENANTS CONCERNING INSTITUTION'S LEGAL STATUS. The Institution covenants with the Bank as follows: (a) without providing at least 30 days' prior written notice to the Bank, the Institution will not change its name, its place of business or, if more than one, its chief executive office, or its mailing address, and (b) the Institution will not change its type of organization, jurisdiction of organization or other legal structure, until in each case, after receipt of a certificate signed by the Bank, stating that the Bank has, to its satisfaction, obtained all documentation that it deems necessary to obtain, maintain and perfect and/or confirm the first priority security interest in the Collateral granted or intended to be granted herein.

8. REPRESENTATIONS AND WARRANTIES CONCERNING COLLATERAL, ETC. The Institution further represents and warrants to the Bank as follows: (a) the Institution is (and as to the Collateral acquired after the date hereof will be) the owner of the Collateral, free from any adverse lien, security interest or other encumbrance, except for the security interest created by this Agreement and Permitted Liens, (b) none of the Collateral constitutes, or is the proceeds of, "farm products" as defined in the Uniform Commercial Code of the State, (c) none of the account debtors or other persons obligated on any of the Collateral is a governmental authority subject to the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral, (d) to its knowledge, the Institution holds no commercial tort claim except as indicated on the Perfection Certificate, (e) to its knowledge, the Institution has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances, and (f) all other information set forth on the Perfection Certificate pertaining to the Collateral is accurate and complete in all material respects.

9. COVENANTS CONCERNING COLLATERAL, ETC. The Institution further covenants with the Bank as follows: (a) the Collateral, to the extent not delivered to the Bank pursuant to Section 4, will be kept at those locations listed on the Perfection Certificate and the Institution will not (except for obsolete equipment disposed of) remove the Collateral from such location, without providing at least 30 days' prior written notice to the Bank, (b) except for the security interest herein granted and Permitted Liens, the Institution shall be the owner of the Collateral free from any lien, security interest or other encumbrance, and the Institution shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Bank, (c) the Institution shall not pledge, mortgage or create, or suffer to exist a security interest in the Collateral in favor of any person other than the Bank, except for Permitted Liens, (d) the Institution will keep the Collateral in good order and repair, reasonable wear and tear excepted, and will not use the same in violation of law or any policy of insurance thereon, (e) the Institution will permit the Bank, or its designee, to inspect the Collateral at any reasonable time during normal business hours upon reasonable advance notice, wherever located, (f) the Institution will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement, (g) the Institution will

continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances, and (h) the Institution will not sell or otherwise dispose, or offer to sell or otherwise dispose, of the Collateral or any interest therein except for Permitted Liens and except for (i) sales of inventory in the ordinary course of business, and (ii) sales consented to in writing by the Bank and where the Bank receives all of the proceeds of such sales to be applied to the Obligations as determined by the Bank at its sole discretion.

10. INSURANCE.

10.1. MAINTENANCE OF INSURANCE. The Institution will maintain with financially sound and reputable insurers insurance with respect to its properties and business against such casualties and contingencies as shall be in accordance with general practices of businesses engaged in similar activities in similar geographic areas. Such insurance shall be in such minimum amounts that the Institution will not be deemed a coinsurer under applicable insurance laws, regulations and policies and otherwise shall be in such amounts, contain such terms, be in such forms and be for such periods as may be satisfactory to the Bank. In addition, all such insurance shall be payable to the Bank as loss payee. Without limiting the foregoing, the Institution will (i) keep all of its physical property insured with casualty or physical hazard insurance on an “all risks” basis and electronic data processing coverage, with a full replacement cost endorsement and an “agreed amount” clause in an amount equal to 100 percent of the full replacement cost of such property, (ii) maintain all such workers’ compensation or similar insurance as may be required by law, and (iii) maintain, in amounts equal to those generally maintained by businesses engaged in similar activities in similar geographic areas, general public liability insurance against claims of bodily injury, death or property damage occurring, on, in or about the properties of the Institution; business interruption insurance; and product liability insurance.

10.2. INSURANCE PROCEEDS. The proceeds of any casualty insurance in respect of any casualty loss of any of the Collateral shall (i) so long as no Event of Default has occurred and to the extent that the amount of such proceeds is less than \$50,000, be disbursed to the Institution for direct application by the Institution solely to the repair or replacement of the Collateral so damaged or destroyed, and (ii) in all other circumstances, be held by the Bank as cash collateral for the Obligations and/or applied to the Obligations. The Bank may, at its sole option, disburse from time to time all or any part of such proceeds so held as cash collateral, upon such terms and conditions as the Bank may reasonably prescribe, for direct application by the Institution solely to the repair or replacement of the Institution’s property so damaged or destroyed, or the Bank may apply all or any part of such proceeds to the Obligations.

10.3. NOTICE OF CANCELLATION, ETC. All policies of insurance shall provide for at least thirty (30) days’ prior written cancellation notice to the Bank. In the event of failure by the Institution to provide and maintain insurance as herein provided, the Bank may, at its option, provide such insurance and charge the amount thereof to the Institution. The Institution shall furnish the Bank with certificates of insurance and policies evidencing compliance with the foregoing insurance provision.

11. COLLATERAL PROTECTION EXPENSES; PRESERVATION OF COLLATERAL.

11.1. EXPENSES INCURRED BY BANK. In its discretion, the Bank may discharge taxes and other encumbrances at any time levied or placed on any of the Collateral following the Institution's failure to discharge such taxes or other encumbrances, make repairs thereto, maintain the Collateral and pay any necessary filing fees or, if the Institution fails to do so, insurance premiums. The Institution agrees to reimburse the Bank on demand for any and all expenditures so made. The Bank shall have no obligation to the Institution to make any such expenditures, nor shall the making thereof relieve the Institution of any default.

11.2. BANK'S OBLIGATIONS AND DUTIES. Anything herein to the contrary notwithstanding, the Institution shall remain liable under each contract or agreement comprised in the Collateral to be observed or performed by the Institution thereunder. The Bank shall not have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Bank of any payment relating to any of the Collateral, nor shall the Bank be obligated in any manner to perform any of the obligations of the Institution under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by the Bank in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Bank or to which the Bank may be entitled at any time or times. The Bank's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under the Uniform Commercial Code of the State or otherwise, shall be to deal with such Collateral in the same manner as the Bank deals with similar property for its own account.

12. SECURITIES AND DEPOSITS. The Bank may at any time, after the occurrence of an Event of Default, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. After the occurrence of an Event of Default, the Bank may demand, sue for, collect, or make any settlement or compromise which it deems desirable with respect to the Collateral. Regardless of the adequacy of Collateral or any other security for the Obligations, any deposits or other sums at any time credited by or due from the Bank to the Institution may at any time be applied to or set off against any of the Obligations.

13. NOTIFICATION TO ACCOUNT DEBTORS AND OTHER PERSONS OBLIGATED ON COLLATERAL. The Institution shall, after the occurrence of an Event of Default, at the request of the Bank, notify account debtors and other persons obligated on any of the Collateral of the security interest of the Bank in any account, chattel paper, general intangible, instrument or other Collateral and that payment thereof is to be made directly to the Bank or to any financial institution designated by the Bank as the Bank's agent therefor, and the Bank may itself, without notice to or demand upon the Institution, so notify account debtors and other persons obligated on Collateral. After the making of such a request or the giving of any such notification, the Institution shall hold any proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by the Institution as trustee for the

Bank without commingling the same with other funds of the Institution and shall turn the same over to the Bank in the identical form received, together with any necessary endorsements or assignments. The Bank shall apply the proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by the Bank to the Obligations.

14. POWER OF ATTORNEY.

14.1. APPOINTMENT AND POWERS OF BANK. The Institution hereby irrevocably constitutes and appoints the Bank and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Institution or in the Bank's own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives said attorneys the power and right, on behalf of the Institution, without notice to or assent by the Institution, to do the following: (a) upon the occurrence of an Event of Default, generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral in such manner as is consistent with the Uniform Commercial Code of the State and as fully and completely as though the Bank were the absolute owner thereof for all purposes, and to do at the Institution's expense, at any time, or from time to time, all acts and things which the Bank deems necessary or advisable to protect, preserve or realize upon the Collateral and the Bank's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as the Institution might do, including, without limitation, (i) to receive and open all mail addressed to the Institution and to take therefrom any remittances or proceeds of Collateral in which the Bank has a security interest, provided that any mail which is not relevant to the Bank's interest hereunder shall be forwarded to the Institution, (ii) to notify Post Office authorities to change the address for delivery of mail addressed to the Institution to such address as the Bank shall designate, (iii) to file and prosecute registration and transfer applications with the appropriate federal or local agencies or authorities with respect to trademarks, copyrights and patentable inventions and processes, (iv) upon written notice to the Institution, to exercise voting rights with respect to voting securities constituting Collateral, which rights may be exercised, if the Bank so elects, with a view to causing the liquidation in a commercially reasonable manner of assets of the issuer of any such securities, and (v) to execute, deliver and record, in connection with any sale or other disposition of any Collateral, endorsements, assignments or other instruments of conveyance or transfer with respect to such Collateral; and (b) to the extent that the Institution's authorization given in Section 3 is not sufficient, to file such financing statements and/or motor vehicle security documents with respect hereto, with or without the Institution's signature, or a photocopy of this Agreement in substitution for a financing statement, as the Bank may deem appropriate and to execute in the Institution's name such financing statements, continuation statements and motor vehicle security documents and amendments thereto which may require the Institution's signature.

14.2. RATIFICATION BY INSTITUTION. To the extent permitted by law, the Institution hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

14.3. NO DUTY ON BANK. The powers conferred on the Bank hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Bank shall be accountable only for the amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Institution for any act or failure to act, except for the Bank's own gross negligence or willful misconduct.

15. REMEDIES. Upon the occurrence of an Event of Default, the Bank may, without notice to or demand upon the Institution, declare this Agreement to be in default, and the Bank shall thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code of the State or of any jurisdiction in which Collateral is located, including, without limitation, the right to take possession of the Collateral, and for that purpose the Bank may, so far as the Institution can give authority therefore enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Bank may in its discretion require the Institution to assemble all or any part of the Collateral at such location or locations within the jurisdictions of the Institution's principal office(s) or at such other locations as the Bank may designate. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Bank shall give to the Institution at least 10 Business Days' prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. The Institution hereby acknowledges that 10 Business Days' prior written notice of such sale or sales shall be reasonable notice.

16. STANDARDS FOR EXERCISING REMEDIES. To the extent that applicable law imposes duties on the Bank to exercise remedies in a commercially reasonable manner, the Institution acknowledges and agrees that it is not commercially unreasonable for the Bank (a) to fail to incur expenses deemed significant by the Bank to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition, (b) to fail to obtain third-party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to fail to exercise reasonable collection remedies against account debtors or other persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against Collateral, (d) to exercise reasonable collection remedies against account debtors and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (e) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other persons, whether or not in the same business as the Institution, for expressions of interest in acquiring all or any portion of the Collateral, (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (h) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, (k) to purchase insurance or credit enhancements to insure the Bank against risks of loss, collection or disposition of Collateral or to provide to the Bank a guaranteed return from the collection or

disposition of Collateral, or (1) to the extent deemed appropriate by the Bank, to obtain the services of brokers, investment banks, consultants and other professionals to assist the Bank in the collection or disposition of any of the Collateral. The Institution acknowledges that the purpose of this Section 16 is to provide non-exhaustive indications of what actions or omissions by the Bank would not be commercially unreasonable in the Bank's exercise of remedies against the Collateral and that other actions or omissions by the Bank shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 16. Without limitation upon the foregoing, nothing contained in this Section 16 shall be construed to grant any rights to the Institution or to impose any duties on the Bank that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 16.

17. NO WAIVER BY BANK, ETC. The Bank shall not be deemed to have waived any of its rights upon or under the Obligations or the Collateral unless such waiver shall be in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion. All rights and remedies of the Bank with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Bank deems expedient.

18. SURETYSHIP WAIVERS BY INSTITUTION. The Institution waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Obligations and the Collateral, the Institution assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Bank may deem advisable. The Bank shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in Section 11.2. The Institution further waives any and all other suretyship defenses.

19. MARSHALLING. The Bank shall not be required to marshal any present or future collateral security (including but not limited to this Agreement and the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Institution hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Bank's rights under this Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment

thereof is otherwise assured, and, to the extent that it lawfully may, the Institution hereby irrevocably waives the benefits of all such laws.

20. PROCEEDS OF DISPOSITIONS; EXPENSES. The Institution shall pay to the Bank on demand amounts equal to any and all expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred or paid by the Bank in protecting, preserving or enforcing the Bank's rights under or in respect of any of the Obligations or any of the Collateral. After deducting all of said expenses, the residue of any proceeds of collection or sale of the Obligations or Collateral shall, to the extent actually received in cash, be applied to the payment of the Obligations in such order or preference as the Bank may determine proper allowance and provision being made for any Obligations not then due. Upon the final payment and satisfaction in full of all of the Obligations and after making any payments required by the Uniform Commercial Code of the State, any excess shall be returned to the Institution, and the Institution shall remain liable for any deficiency in the payment of the Obligations.

21. OVERDUE AMOUNTS. Until paid, all amounts due and payable by the Institution hereunder shall be a debt secured by the Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Loan Agreement.

22. REPLACEMENT DOCUMENTS. Upon receipt of an affidavit of an officer of the Bank as to the loss, theft, destruction or mutilation of any note or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of such note or other security document, the Institution will issue, in lieu thereof, a replacement note or other security document in the same principal amount thereof and otherwise of like tenor.

23. RIGHT OF SET OFF. The Institution hereby grants to the Bank a lien, security interest and a right of setoff as security for all liabilities and obligations to the Bank, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of, or affiliated with, the Bank or any entity under the control of the Bank, or in transit to any of them. At any time, without demand or notice, the Bank may set off the same or any part thereof and apply the same to any liability or obligation of the Institution even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE THE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES ANY OBLIGATION, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE INSTITUTION, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED. The Bank shall not be required to marshal any present or future security for, or guarantees of, the obligations or to resort to any such security or guarantee in any particular order and the Institution waives, to the fullest extent that it lawfully can, (a) any right it might have to require the Bank to pursue any particular remedy before proceeding against it and (b) any right to the benefit of, or to direct the application of the proceeds of any collateral until the Obligations are paid in full.

24. GOVERNING LAW; CONSENT TO JURISDICTION. THIS AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE. The Institution agrees that any suit for the enforcement of this Agreement may be brought in the courts of the State or The Commonwealth of Massachusetts or any federal courts sitting therein and consents to the nonexclusive jurisdiction of such courts and to service of process in any such suit being made upon the Institution by mail at the address specified in page 1 hereof. The Institution hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

25. WAIVER OF JURY TRIAL. THE INSTITUTION AND THE BANK MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED ON THIS AGREEMENT, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE BANK TO ACCEPT THIS AGREEMENT AND PURCHASE AND HOLD THE BONDS AND EXTEND THE LINE OF CREDIT TO THE INSTITUTION.

26. MISCELLANEOUS. The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon the Institution and its respective successors and assigns, and shall inure to the benefit of the Bank and its successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Institution acknowledges receipt of a copy of this Agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, intending to be legally bound, the Institution has caused this Agreement to be duly executed as an instrument under seal as of the date first above written.

NORTH COUNTRY SCHOOL

By: 
David Hochschartner
Executive Director

Accepted:

**BOSTON PRIVATE BANK & TRUST
COMPANY**

By: _____
Thatcher L. Freeborn
Senior Vice President

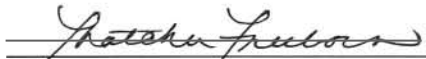
IN WITNESS WHEREOF, intending to be legally bound, the Institution has caused this Agreement to be duly executed as an instrument under seal as of the date first above written.

NORTH COUNTRY SCHOOL

By: _____
David Hochschartner
Executive Director

Accepted:

**BOSTON PRIVATE BANK & TRUST
COMPANY**

By: 
Thatcher L. Freeborn
Senior Vice President

SCHEDULE A

Permitted Liens

1. The lien in favor of U.S. Bank Equipment Finance evidenced by UCC-1 Financing Statement No. 201404105364423 filed with the New York Department of State on April 10, 2014;
2. The lien in favor of Wells Fargo Vendor Financial Services, LLC evidenced by UCC-1 Financing Statement No. 201709216144720 filed with the New York Department of State on September 21, 2017; and
3. The lien in favor of Wells Fargo Vendor Financial Services, LLC evidenced by UCC-1 Financing Statement No. 201803195326946 filed with the New York Department of State on March 19, 2018.

ACTIVE 41904546v4

Pledge Agreement (account)

PLEDGE AGREEMENT
(Account)

This **PLEDGE AGREEMENT** (the “Agreement”) is made as of the 29th day of March, 2019 and is by and between **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the “Pledgor”) and **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business located at 10 Post Office Square, Boston, Massachusetts 02109 (the “Bank”). All capitalized terms used herein and not otherwise defined shall have the same meanings assigned to them in the Covenants Agreement (as hereinafter defined).

RECITALS

- A. The Pledgor has established an account with TD Ameritrade Inc. (the “Holder”) for the benefit of the Pledgor, identified as account number 942491708 (the “Investment Account”).
- B. The Pledgor has executed and delivered to the Bank (i) a Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Loan Agreement”), by and among the Pledgor, the Bank and the Essex County Capital Resource Corporation (the “Issuer”), pursuant to which the Issuer is issuing its North Country School Revenue Bonds, Series 2019 (the “Bonds”), consisting of the Series 2019A Bonds in the aggregate principal amount of \$5,800,000 (the “Series 2019A Bonds”) and the Series 2019B Bonds in the aggregate principal amount of \$1,300,000 (the “Series 2019B Bonds”), the proceeds of which are being loaned to the Pledgor, (ii) and a Continuing Covenants Agreement, dated as of March 29, 2019 (the “Covenants Agreement”), by and between the Pledgor and the Bank, and (iii) a Loan Agreement, dated as of March 29, 2019 (the “RLOC Loan Agreement”), by and between the Pledgor and the Bank, pursuant to which the Bank is extending a line of credit to the Pledgor in the stated principal amount of \$1,000,000 (the “Line of Credit”). This Agreement, the Loan Agreement, the Covenants Agreement and the RLOC Loan Agreement, and all other documents executed in connection therewith, any and all amendments or modifications thereto, and all replacements and substitutions therefor, executed and delivered to the Bank from time to time in connection therewith are herein collectively referred to as the “Documents.” All obligations of the Pledgor evidenced by the Documents, whether now existing or hereafter arising, are herein collectively referred to as the “Obligations.”
- C. It is a condition precedent to the Bank’s purchase of the Bonds and extension of the line of credit to the Pledgor, that the Pledgor shall have pledged the Investment Account to the Bank to secure the Obligations.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Pledgor and the Bank agree as follows:

1. Pledge.

As security for the payment and performance of the Obligations, the Pledgor hereby assigns, pledges and grants to the Bank a first-priority security interest in and exclusive lien on the Investment Account, and all cash, property and financial assets held in the Investment Account, including the following, whether now existing or hereafter acquired or arising (collectively, the “Pledged Securities”):

(a) The Investment Account and all financial assets, securities and cash which are maintained in the Investment Account and all additions thereto, and substitutions and replacements thereof;

(b) All dividends, interest, entitlements, voting, conversion, registration, redemption and other rights and interests incidental to the Pledged Securities;

(c) All proceeds of the sale, transfer, exchange, redemption, or exercise of the Pledged Securities, however and whenever the same may occur;

(d) All books and records related to any of the foregoing; and

(e) All proceeds of any type whatsoever of the foregoing.

2. Value Requirements; Additional Pledged Securities.

(a) The Pledgor covenants and agrees that, not later than 10 days after the date hereof and thereafter, so long as any of the Series 2019B Bonds, the Line of Credit or any commitments thereunder are outstanding, it shall maintain in the Account at all times Pledged Securities with an aggregate gross market value at least equal to \$4,800,000 (the “Required Amount”).

(b) If at any time during which any Series 2019B Bonds, the Line of Credit or any commitments thereunder are outstanding, the Bank determines that the aggregate gross market value of the Pledged Securities is less than the Required Amount, the Bank shall notify the Pledgor in writing of the amount of the deficiency of the gross market value and the Pledgor shall forthwith (within five (5) business days) deliver to the Holder additional financial assets, securities or cash (in all cases reasonably satisfactory to the Bank) to be added to the Pledged Securities such that the gross market value of the Pledged Securities shall not be less than the Required Amount. Failure of the Pledgor to deliver adequate additional financial assets, securities or cash within such time period, will constitute an Event of Default under the Documents enabling the Bank to immediately dispose of any or all of the Pledged Securities without further notice to the Pledgor. For purposes of this Agreement, no value shall be attributed to any item of the Pledged Securities unless and until the Bank has a first priority perfected security interest in the Pledged Securities and all documents and actions deemed necessary by the Bank shall have been taken as determined by the Bank in its sole discretion.

3. Establishment and Maintenance of the Investment Account.

(a) All Pledged Securities shall at all times be maintained in the Investment Account in uncertificated or book entry form, for so long as any of the Series 2019B Bonds, the Line of Credit or any commitments thereunder remain outstanding;

(b) The Pledgor shall cause the Investment Account to be maintained in good standing with the Holder and shall directly pay all fees owing to the Holder in connection therewith other than from the financial assets in the Investment Account, notwithstanding the provisions of the Control Agreement (as hereinafter defined);

(c) The Pledgor shall cause the Holder to keep the Investment Account separate from all other accounts maintained by the Pledgor;

(d) The Pledgor shall cause the Holder to furnish to the Bank simultaneously with delivery to the Pledgor but in any event within 30 days after the end of each month, a statement and valuation report as to the Investment Account and the Pledged Securities as well as prompt duplicate original confirmations of transactions, if any, involving the Pledged Securities, all in form and detail satisfactory to the Bank;

(e) The Pledged Securities shall be subject to the control of the Bank as more particularly described in that certain Pledged Asset Agreement for Collateral Loans, of even date, among the Pledgor, the Bank and the Holder (the "Control Agreement"), and notwithstanding any other term or condition to the contrary in this Agreement or in any other agreement between the Pledgor and the Holder, the Pledgor agrees and shall instruct the Holder, upon request of the Bank or the Holder, that the Bank shall be entitled at any time to give written instructions to the Holder as to the investment of the Collateral or the sale or disposition of any of the Pledged Securities or as to all other entitlement orders and any other matters relating to the Pledged Securities, without the consent of the Pledgor, and the Holder shall be fully entitled to rely upon such instructions from the Bank even if such instructions are contrary to any instructions or demands that the Pledgor may give or may have given to it; and

(f) This Agreement and the Control Agreement are intended to provide the Bank with "control" of the Investment Account and the Pledged Securities and all securities entitlements therein within the meaning of the Uniform Commercial Code as in effect from time to time in the State of New York (the "Code") and shall be construed consistent with such purpose.

4. Security for the Obligations.

This Agreement, the Investment Account and the Pledged Securities secure the payment and performance of the Obligations.

5. Representations and Warranties.

The Pledgor hereby makes the following representations and warranties to the Bank which shall be deemed to be made continuously for so long as any Obligations shall remain outstanding:

(a) The execution, delivery and performance by the Pledgor of the Documents (i) does not and will not violate (A) the Pledgor's charter or bylaws, or any provision of law or governmental rule or regulation applicable to the Pledgor or (B) any order of any court or other agency or government binding on the Pledgor or any agreement or other instrument to which the Pledgor is a party, or by which the Pledgor or any of the Pledgor's property is bound, and (ii) will not be in conflict with, result in a breach of or constitute (with notice and/or lapse of time) a default under, any such agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any property or assets of the Pledgor, except for the lien created by the Documents;

(b) The Pledgor is the legal and beneficial owner of the Pledged Securities free and clear of any lien, security interest, option or other charge, encumbrance or any restriction or adverse claim, except for those created by the Documents;

(c) No authorization, approval or other action by, and no notice to or filing with any governmental authority or regulatory body is required for the execution, delivery or performance of the Documents by the Pledgor;

(d) This Agreement constitutes the legal, valid and binding obligation of the Pledgor enforceable against the Pledgor in accordance with its terms;

(e) The Pledgor is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System);

(f) None of the Pledged Securities consists of or will consist of "securities carried for the account of any customer" within the meaning of Rule 8c-1 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 8c-1");

(g) No provision of Rule 8c-1 is or will be violated by the maintenance of the Investment Account;

(h) The Pledged Securities are and will at all times be held in the Investment Account by the Holder in an amount no less than the Required Amount; and

(i) The Pledgor has furnished to the Bank true and accurate accountings of the Pledged Securities and has made no dispositions thereof since the date of those accountings.

6. Further Assurances.

The Pledgor agrees that at any time and from time to time at the expense of the Pledgor, the Pledgor will promptly execute, deliver and file any agreement, any financing statement, all further instruments and documents, and take all further action, and obtain all waivers, approvals, and documents of the Holder that the Bank may deem to be necessary or desirable, or that the Bank may request, in order to enable the Bank, after demand or default under any of the Documents, to exercise and enforce its rights and remedies hereunder and under the Code with respect to the Investment Account and any and all of the Pledged Securities.

7. Voting Rights; Dividends; etc.

(a) So long as no Event of Default has occurred hereunder, the Pledgor shall be entitled to exercise any and all voting rights, if any, pertaining to the Pledged Securities or any part thereof for any purpose not inconsistent with the terms of this Agreement. After the occurrence of an Event of Default that has not been waived by the Bank, all rights of the Pledgor to exercise the voting rights, if any, which the Pledgor would otherwise be entitled to exercise pursuant hereto shall cease, and all such rights shall thereupon become vested in the Bank which shall thereupon have the sole right to exercise such voting rights, if any. The parties acknowledge that the Holder shall be entitled to assume that the Pledgor is entitled to exercise voting rights until the Holder receives a notice from the Bank of its intent to exercise exclusive control in accordance with the provisions of the Control Agreement.

(b) The Pledgor shall be entitled to receive and retain any dividends, interest paid or other distributions in respect of the Pledged Securities, so long as the gross market value of the Pledged Securities is at least equal to the Required Amount, otherwise all such dividends, interest and other distributions shall be retained in the Investment Account.

(c) The foregoing notwithstanding, and except as otherwise set forth in the Control Agreement, the Pledged Securities shall at all times be held by, or subject to the control of, the Holder for the Bank's sole account and subject to the Bank's instructions. Accordingly, except as otherwise set forth in this Section 7 or as otherwise expressly permitted by the Bank in writing, the Holder will not deliver, transfer or pay over or cause to be delivered, transferred or paid over any Pledged Securities to any person or entity other than the Bank unless otherwise instructed in writing by the Bank.

(d) The Pledgor shall permit, or cause to be permitted, representatives of the Bank to inspect and make copies of the books and records of the Pledgor and the Holder relating to the Pledged Securities and to conduct an audit of the Pledged Securities at any reasonable time or times either with or without prior notice.

8. Investment Account.

The Pledgor agrees that, without the prior written consent of the Bank, the Pledgor will not take any action to attempt to (a) terminate the Investment Account or modify in any material respect any of the rights of the Bank with respect thereto, or (b) sell, substitute or otherwise dispose of any of the Pledged Securities, except in the ordinary course of business, provided that the Required Amount is maintained following such sale, substitution or disposal, or (c) grant any option, pledge or security interest with respect to the Investment Account or any of the Pledged Securities.

9. Bank Appointed Attorney-in-Fact.

The Pledgor hereby appoints the Bank and any of its officers or designees the Pledgor's attorney-in-fact (without requiring any of them so to act and with full power of substitution), with full authority in the place and stead of the Pledgor and in the name of the Pledgor or otherwise, from time to time in the Bank's sole discretion at any time to take any action and to

execute any instrument which the Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including without limitation:

(a) to execute and deliver any and all instruments and to perform all other acts which the Bank may deem appropriate to preserve, protect and perfect the Pledged Securities, and

(b) to receive, endorse and collect all instruments made payable to the Pledgor representing any dividend, interest payment or other distribution in respect of the Pledged Securities or any part thereof and to give full discharge for the same.

10. Bank May Perform.

If the Pledgor fails to perform any agreement contained herein, the Bank may itself perform, or cause performance of, such agreement and the expenses of the Bank incurred in connection therewith shall be payable by the Pledgor pursuant to Section 13 hereof.

11. Events of Default.

Each of the following events shall constitute an event of default hereunder ("Event of Default").

(a) The occurrence of an Event of Default under any of the Documents; or

(b) The Pledgor shall fail to provide additional financial assets, securities or cash to the extent required pursuant to Section 2 of this Agreement; or

(c) The Pledgor shall fail to perform or observe any other term, covenant or agreement contained in this Agreement to be performed or observed by the Pledgor; or

(d) This Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Pledgor or the Pledgor shall deny further liability or obligation hereunder.

12. Remedies Upon Default.

If any Event of Default shall have occurred:

(a) The Bank may exercise in respect of the Pledged Securities, in addition to all other rights and remedies provided for herein or otherwise available to it by law or under any other Documents, all the rights and remedies of a secured party on default under the Code in effect at that time. Without limiting the generality of the foregoing, the Bank may without notice, except as specified below, direct the Holder from time to time to transfer, deliver and pay over to the Bank or as Bank directs all or any part of the Pledged Securities and proceeds thereof and apply the cash received from the Holder to the payment of the Obligations. The Bank may sell the Pledged Securities or any part thereof in one or more parts at public or private sale, at any exchange, or at any of the Bank's offices or elsewhere, for cash, on credit or for future delivery with or without the assumption of any credit risk, and upon such other terms as the Bank

may deem commercially reasonable. The Pledgor acknowledges that the Pledged Securities are of a type sold in a recognized market and, accordingly, no notice by the Bank to the Pledgor is required prior to the sale of any Pledged Securities hereunder. The Bank may be a purchaser of all or a portion of the Pledged Securities so sold. The Bank shall not be obligated to make any sale of Pledged Securities regardless of notice of sale having been given. The Bank may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by the Bank from the Holder or otherwise in respect of any sale of, collection from, or other realization upon all or any part of the Pledged Securities may, in the discretion of the Bank, be held by the Bank as Pledged Securities for the Obligations or such proceeds may then or at any time thereafter be applied by the Bank after payment of any amounts payable to the Bank as Costs (as defined in Section 13), in whole or in part, against all or any part of the Obligations in such order as the Bank shall elect. Any surplus of such cash or cash proceeds held by the Bank and remaining after payment in full of all the Obligations shall be paid over to the Pledgor or to whomever may be lawfully entitled to receive such surplus, but in no event shall the Bank be liable for any interest thereon pending distribution of such surplus by the Bank. In the event such proceeds are not sufficient to pay in full the Obligations, the Pledgor shall remain liable for any deficiency.

(c) The Pledgor hereby expressly agrees that the Bank shall not be required to exercise in any particular order any of its rights, powers, remedies or benefits under this Agreement or under any of the other Documents or to realize or attempt to realize on any security for any or all of the Obligations. Without limiting the generality of the foregoing, the Bank shall (i) be entitled to seek to realize upon or enforce the Pledged Securities in such order and at such time or times after the occurrence of an Event of Default as it may choose or realize upon or enforce any particular portion of the Pledged Securities before seeking to realize or enforce upon any other portion thereof, and (ii) not be required to sell all or any portion of the Pledged Securities.

13. Expenses.

The Pledgor will, upon demand, pay to the Bank the amount of any and all expenses, including the reasonable fees and expenses of its counsel and of any experts and agent, which the Bank may incur in connection with (a) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Securities, (b) the exercise or enforcement of any of the rights of the Bank hereunder, or (c) the failure by the Pledgor to perform or observe any of the provisions hereof (collectively, "Costs").

14. Rights Absolute.

All rights of the Bank granted hereunder, and all obligations of the Pledgor hereunder shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of any of the Documents or any other agreement or instrument relating thereto;

(b) any change in time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from compliance with any of the Documents; or

(c) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to departure from strict compliance with any other instrument or document, for all or any of the Obligations with or without notice to or the consent of the Pledgor with respect to any such matter.

15. Amendments, etc.

No amendment or waiver by the Bank of any provision of this Agreement shall terminate or release any obligation of the Pledgor hereunder unless said amendment or waiver is in writing and executed by the Bank and, with respect to any amendment, the Pledgor.

16. Addresses for Notices.

All notices, demands or documents which are required or permitted to be given or served hereunder shall be in writing and shall be deemed sufficiently given when delivered or mailed in the manner set forth in the Covenants Agreement.

17. Continuing Agreement

This Agreement shall (i) remain in full force and effect until terminated in accordance with Section 19, (ii) be binding upon the Pledgor, its successors and assigns, and (iii) inure to the benefit of the Bank and its successors, transferees and assigns. Upon termination in accordance with Section 19, the Pledgor shall be entitled to the return, upon request and at its expense, of such of the Pledged Securities as shall not have been sold or otherwise applied pursuant to the terms hereof.

18. No Waiver; Cumulative Remedies.

No failure on the part of the Bank to exercise, and no delay by the Bank in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy by the Bank preclude any other further exercise thereof or the exercise of any other right, power or remedy available to the Bank. All rights, remedies and privileges hereunder are cumulative with all other rights, remedies and privileges of the Bank under all other Documents and under the law and are not exclusive of any other such rights, remedies or privileges.

19. Termination.

This Agreement shall terminate upon the payment and performance of all obligations with respect to the Series 2019B Bonds and the Line of Credit. Upon termination of this Agreement, the Bank will notify the Holder that the Bank's security interest in the Investment Account has terminated.

20. Waiver of Certain Rights.

(a) The Pledgor acknowledges that the transaction of which this Agreement is a part is a commercial transaction.

(b) THE PLEDGOR IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY PROCEEDING HEREAFTER INSTITUTED BY OR AGAINST THE PLEDGOR OR THE BANK IN RESPECT OF THIS AGREEMENT OR ARISING OUT OF ANY DOCUMENT, INSTRUMENT OR AGREEMENT EVIDENCING, GOVERNING OR SECURING THIS AGREEMENT OR THE OBLIGATIONS SECURED BY THIS AGREEMENT.

(c) The Pledgor hereby waives presentment, notice of dishonor and protest of all instruments included in or evidencing liability of the Pledgor in respect of the Obligations or the Pledged Securities and any and all other notices and demands whatsoever (except notices specifically provided for herein) whether or not relating to such instruments.

21. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

22. Merger.

This writing is intended by the parties as the final, complete and exclusive statement of the terms of this Agreement. No course of dealing between the parties, no usage of the trade and no parole or extrinsic evidence of any nature shall be used or be relevant to supplement, explain or modify any term used herein. If any provisions of this Agreement shall to any extent be held invalid or unenforceable, then only such provision shall be deemed ineffective and the remainder of this Agreement shall not be affected.

23. Bank's Discretion.

The Pledgor agrees that so long as the Bank acts in good faith hereunder, the Bank will not be liable to the Pledgor or any other person in connection with any act or omission of the Bank hereunder except to the extent such act or omission is the result of the Bank's gross negligence or willful misconduct.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, under seal, as of the date first above written.

NORTH COUNTRY SCHOOL

By: 
Name: David Hochschartner
Title: Executive Director

BOSTON PRIVATE BANK & TRUST
COMPANY

By: _____
Name: Thatcher L. Freeborn
Title: Senior Vice President

ACTIVE 41482349v2

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, under seal, as of the date first above written.

NORTH COUNTRY SCHOOL

By: _____
Name: David Hochschartner
Title: Executive Director

BOSTON PRIVATE BANK & TRUST
COMPANY

By: *Thatcher Freeborn*
Name: Thatcher L. Freeborn
Title: Senior Vice President

ACTIVE 41482349v2

Pledged Asset Agreement for Collateral Loans



PLEGGED ASSET AGREEMENT FOR COLLATERAL LOANS

Account # 942 491 708

Advisor Code _____

Case # _____

The Pledgor must select one of the following options:

- Pledge an existing account:
 - Provide the account number for the existing account
 - Complete this Pledged Asset Agreement for Collateral Loans
- Open a new Pledged account and fund it with an internal journal from an existing TD Ameritrade Account:
 - Complete an Account Application or Duplicate Account Request Form
 - Complete a Letter of Authorization to fund the Account
 - Complete this Pledged Asset Agreement for Collateral Loans
- Open a new Pledged account and fund it with a transfer from another brokerage firm:
 - Complete an Account Application or Duplicate Account Request Form
 - Complete an Account Transfer form and attach a copy of a recent statement for the contra firm account
 - Complete this Pledged Asset Agreement for Collateral Loans

The Lender must complete the following section:

I certify that the following individual(s) are authorized to act on behalf of Boston Private Bank & Trust Co. (name of the Lender):

Name (First, Middle Initial, Last): Thatcher L. Freeborn Title: Senior Vice President

Work Street Address: 10 Post Office Square

City: Boston State: MA ZIP Code: 02109

Signature: [Signature] Date: 3/25/2019

Name (First, Middle Initial, Last): GISELA A. LOPIANO Title: EVP

Work Street Address: 10 POST OFFICE SQ.

City: BOSTON State: MA ZIP Code: 02109

Signature: [Signature] Date: 3/26/2019

Name (First, Middle Initial, Last): _____ Title: _____

Work Street Address: _____

City: _____ State: _____ ZIP Code: _____

Signature: _____ Date: _____

Name (First, Middle Initial, Last): _____ Title: _____

Work Street Address: _____

City: _____ State: _____ ZIP Code: _____

Signature: _____ Date: _____

Signature of certifying officer: * [Signature] Date: 3/26/2019

*The certifying officer must be someone other than an authorized individual designated above.



Important Information for the Pledgor

- Check writing, debit cards, margin, Move Money instructions, and options approval higher than buying puts and calls are not authorized for pledged accounts. To comply with the terms and conditions of this Pledged Asset Agreement for Collateral Loans, these features will be removed/disallowed for all pledged accounts. A client may reapply for those removed/disallowed features once the pledge is satisfied.
- All outstanding checks and debit card transactions must be satisfied prior to pledging an existing account. By completing this Pledged Asset Agreement for Collateral Loans, the pledgor attests that there are no checks or debit card transactions outstanding for the pledged account.
- All assets contained within a pledged account are subject to the terms and conditions of the Pledged Asset Agreement for Collateral Loans and cannot be removed without lender approval.

This document will evidence the agreement by and among TD Ameritrade Clearing, Inc. ("Asset Custodian") and TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade Institutional" and collectively with Asset Custodian, "TD Ameritrade"), Boston Private Bank & Trust Company ("Lender") and North Country School ("Pledgor") concerning cash brokerage account No. 942491708 (TD Ameritrade Institutional Account Number—to be completed by TD Ameritrade Institutional) (the "Account") established with TD Ameritrade. Lender and Pledgor have previously entered into a security agreement (the "Collateral Agreement") pursuant to which a security interest in certain rights and assets of Pledgor is granted by Pledgor to Lender.

WHEREAS, TD Ameritrade has established the Account as a "securities account" under the Uniform Commercial Code.

WHEREAS, TD Ameritrade, Lender, and Pledgor are entering into this agreement to provide for the control of the Account and of the securities entitlements from time to time earned in the Account and to perfect the Lender's subordinate security interest in the Account and in such entitlements.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and undertakings herein contained, and intending to be legally bound, the Lender, Pledgor, and TD Ameritrade agree as follows:

1. Account. The Account will be maintained by Asset Custodian, and the Account title will include the Lender name followed by "as secured party." TD Ameritrade is hereby authorized (i) to act on trading instructions, to deliver or receive cash or securities in order to effect clearance or settlement of trades, and/or to act on other instructions involving the Account and the Collateral in the Account that may be encountered in the day-to-day administration of the Account (collectively, "Instructions") from the Pledgor or Pledgor's agents (but not the Lender), including, but not limited to, any money manager or financial or investment advisors appointed by Pledgor; (ii) to charge the Account for all Account-related fees, commissions, and other charges associated with the Account, including, but not limited to, asset-based fees for brokerage, custody, trade execution and related services, as well as fees that include TD Ameritrade's services; and (iii) to follow its usual procedures in accordance with the Client Agreement applicable to the Account ("Client Agreement"), including, but not limited to, those applicable if the Account should be or become the subject of any writ, levy, order, or other similar judicial or regulatory order or process. TD Ameritrade will have no obligation to notify Lender prior or subsequent to taking (or failing to take or delaying) any action, including, but not limited to, acting on any Instructions. Further, Lender and Pledgor agree that TD Ameritrade shall not be responsible for any diminution or loss of value of the Collateral in the Account that is attributable to declines in the market value of the Collateral, including, but not limited to, any diminution or loss due or related to their action (or any delay or failure to act) pursuant to this Agreement or the Client Agreement, unless due to TD Ameritrade's gross negligence or willful misconduct.

2. Lender Exclusive Control Period.

- a. Notwithstanding the foregoing paragraph, events may arise whereby the Lender will have exclusive control of the Account ("Lender Exclusive Control Period"). The Lender Exclusive Control Period will commence within a reasonable length of time (but not to exceed one Business Day, as defined below) after TD Ameritrade receives a written notice from Lender in the form of Attachment 1 ("Notice of Commencing Lender Control Period"). No further consent from, or any prior or subsequent notice to, Pledgor is necessary, and TD Ameritrade is under no obligation to determine the validity of the Notice of Commencing Lender Control Period or of any Instructions issued by Lender.

During the Lender Exclusive Control Period, TD Ameritrade shall comply with Instructions received from Lender. "Business Day" means each Monday through Friday, excluding U.S. stock exchange holidays. Lender will give Asset Custodian sufficient advance written notice of any change to the Instructions in order to allow TD Ameritrade to act on such changes.

- b. During the Lender Exclusive Control Period, the Lender may issue instructions to withdraw or disburse cash or securities, or both, out of the Account, other than for the purpose of effecting the clearance or settlement of a trade in the Account. TD Ameritrade shall comply with withdrawal Instructions signed by Lender, without further consent from, or prior or subsequent notice to, Pledgor. TD Ameritrade shall have no duty or obligation to determine the validity of Lender's consent. Upon receipt of this notice, TD Ameritrade will not accept instructions from the Pledgor until such time as this Lender Exclusive Control Period ceases.
 - c. TD Ameritrade shall have no responsibility or liability to Pledgor for complying with a Notice of Commencing Lender Control Period. TD Ameritrade shall have no duty to investigate or make any determination to verify the existence of an event of default or compliance by either Lender or Pledgor with applicable law, and TD Ameritrade shall be fully protected in complying with a Notice of Commencing Lender Control Period whether or not Pledgor may allege that no such event of default or other like event exists.
3. Pledgor Obligations, Representations, and Warranties.
- a. Pledgor understands that Account will be limited to a cash account, without margin, debit card, or check-writing privileges, and Pledgor shall not submit a request to make changes to these features of the Account.
 - b. During the Term, as defined below, of this Agreement, Pledgor agrees that it must first obtain written consent from the Lender, and present such consent to the Asset Custodian, before transferring the Account or withdrawing any monies or securities from the Account by any method, including but not limited to, ACATS, ACH, wires, debit card, checking, or bill pay.
 - c. Pledgor represents and warrants that (i) the Account is not the subject of any other agreements with a secured party; (ii) Pledgor will not enter into any other agreement with any other party regarding the Account; (iii) as of the date of this Agreement, the loan related to the Collateral Agreement as between Lender and Pledgor has been a performing loan during the last 12-month period; and (iv) Pledgor will not use loan proceeds from Lender to invest in securities in the Account.
 - d. Pledgor authorizes TD Ameritrade to send all periodic statements and confirmations concerning the Account to Lender.
4. TD Ameritrade Obligations.
- a. Asset Custodian will act as custodian for the Account.
 - b. The Account is intended to be a cash account only and TD Ameritrade will not add margin, debit card, or checking-writing privileges to the Account.
 - c. TD Ameritrade will send copies of all periodic statements and confirmations concerning the Account to Lender at the address set forth below.
 - d. TD Ameritrade does not have any duty to monitor trading in the account beyond that required by applicable law.
 - e. TD Ameritrade has not entered into a Control Agreement with respect to the Account with any other party and agrees that it will not do so while this Agreement is in effect.
5. Lender Obligations, Representations, and Warranties.
- a. Lender represents and warrants that as of the date of this Agreement, payments on the loan related to the Collateral Agreement as between Lender and Pledgor are current.
 - b. Contemporaneously with or promptly after Lender's delivery to TD Ameritrade of a Notice of Commencing Lender Control Period, Lender shall provide TD Ameritrade the names and signatures of authorized persons who may issue instructions during the Lender Exclusive Control Period.
 - c. Lender represents and warrants that Lender will only issue to TD Ameritrade a Notice of Commencing Lender Control Period if Lender has determined in good faith that an event of default or other authorized event has occurred, which entitles Lender to exercise its rights as a secured party with respect to the Collateral in the Account.
6. Account Charges. There shall be sufficient assets in the Account at all times to compensate TD Ameritrade for any commissions or transaction and account fees and charges. Pledgor agrees that TD Ameritrade is entitled to compensation for such commissions or transaction and account fees and charges, and TD Ameritrade reserves all rights to collection of such commissions or transaction and account fees and charges granted to them under the Client Agreement applicable to the Account. Lender acknowledges and agrees that TD Ameritrade has the right to charge the Account as set forth in this Agreement and the Client Agreement(s), as said agreements are amended from time to time, and Lender has no right to the sums so withdrawn by TD Ameritrade.
7. Termination. The term of this Agreement shall commence upon the full execution of this Agreement and shall continue until terminated, as set forth herein ("Term"). TD Ameritrade or the Lender may terminate the Agreement by providing 30 days' prior written notice to the other remaining parties. Notwithstanding the preceding sentence, upon payment in full of Pledgor's obligations to Lender, Lender shall promptly notify TD Ameritrade in writing of such payment, and this Agreement will terminate immediately

without any further written notice. Pledgor may not terminate this Agreement except with the written consent of Lender. Should Pledgor wish to terminate this Agreement, Pledgor shall provide TD Ameritrade with at least 60 days' prior written notice of termination and shall simultaneously provide TD Ameritrade with the prior written consent of Lender. If Pledgor or TD Ameritrade terminate this Agreement in accordance with this paragraph and TD Ameritrade receives written instructions signed by Lender and Pledgor regarding transfer of the Account prior to the effective date of the termination, TD Ameritrade shall comply with those Instructions. If Pledgor or TD Ameritrade terminates this Agreement in accordance with this paragraph due to transfer of Account, but TD Ameritrade does not receive written instructions signed by Lender (and Pledgor if Pledgor is terminating) regarding transfer of the Account prior to the effective date of the termination, Lender and Pledgor agree that, upon expiration of the termination notice period, TD Ameritrade will close the Account, and transfer all cash and securities (less any fees related to the processing of the transfer) in the Account to Lender.

8. Indemnity.

- a. Pledgor shall indemnify and hold harmless TD Ameritrade, their affiliates, and the directors, officers, employees, and agents of TD Ameritrade and their affiliates from and against all claims, actions, disputes, costs, liabilities, damages, and expenses, including, but not limited to, court costs and attorney fees, arising out of, relating to or concerning this Agreement, except to the extent that a final judgment of a court determines that the claim, action, dispute, cost, liability, damage, or expense was caused solely by TD Ameritrade's gross negligence or willful misconduct, respectively. Pledgor's obligations under this paragraph shall survive termination or expiration of this Agreement.
- b. Lender hereby agrees to indemnify and hold harmless TD Ameritrade, their affiliates, and the officers, directors, employees, and agents, of TD Ameritrade from and against all claims, liabilities, and expenses (including reasonable attorneys' fees) arising out of TD Ameritrade's compliance with any instructions from Lender with respect to the Account except if such claims, liabilities, or expenses are caused solely by TD Ameritrade's gross negligence or willful misconduct, respectively.

9. Limitation of Liability.

- a. TD Ameritrade will not be liable to Pledgor or Lender for any expense, claim, loss, damage, or cost ("Damages") arising out of or relating to the performance of TD Ameritrade under this Agreement other than those Damages which result directly from their acts or omissions constituting gross negligence or willful misconduct. In no event will TD Ameritrade be liable for any special, indirect, exemplary, or consequential damages, including, but not limited to, lost profits or trading losses. This paragraph shall survive the expiration or termination of this Agreement.
- b. TD Ameritrade shall not be liable for loss caused directly or indirectly by any exchange or market ruling, government restriction or any "force majeure" (such as, flood, extraordinary weather conditions, earthquake or other act of nature, fire, war, insurrection, riot, communications or power failure, equipment or software malfunction), or any other cause beyond the reasonable control of TD Ameritrade, respectively.

10. Notices. All notices under this Agreement shall be in writing and will be given by personal delivery, by overnight courier that obtains a signature upon delivery, or by United States certified mail, return receipt requested, postage prepaid, to the addresses appearing below. Notice will be deemed effective on the date it is personally delivered to the addressee or on the date as evidenced by the date the delivery was signed for or as evidenced by the return receipt. The parties may change their address for notice purposes by giving the other parties notice of such change in accordance with this Section. Any notices or other communications, which may be required under this Agreement, are to be sent to the parties at the following addresses or such other addresses as may be subsequently given to the other parties in writing:

Lender: Lending Institution: Boston Private Bank & Trust Company
Contact Name: Thatcher L. Freeborn
Telephone Number: 617-912-3629
Street Address: 10 Post Office Square
City, State, ZIP Code: Boston, MA 02109

Pledgor: Your Name: North Country School
Your Street Address: 4382 Cascade Road
City, State, ZIP Code: Lake Placid, NY 12946

TD Ameritrade Institutional and TD Ameritrade Clearing, Inc.: Mailing Address:
TD Ameritrade Institutional
PO BOX 650567
Dallas, TX 75265-0567

11. Miscellaneous.

- a. This Agreement may be amended only by a writing signed by Pledgor, Lender, TD Ameritrade, except that TD Ameritrade commissions, fees, and charges are subject to change by TD Ameritrade Institutional upon 30 days' prior written notice to Pledgor.
- b. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.
- c. This Agreement supplements and is a part of the Client Agreement between Pledgor and TD Ameritrade. This Agreement and the Client Agreement constitute the entire agreement among the parties. The Lender will be governed by the Client Agreement to the extent the Lender assumes control over the Account as provided in this Agreement. With respect to TD Ameritrade obligations under this Agreement, if any of the terms of this Agreement conflict with those of the Client Agreement, as it may be amended from time to time, this Agreement will supersede the Client Agreement only with respect to TD Ameritrade's express obligations under this Agreement. Otherwise, the Client Agreement will control with respect to TD Ameritrade's obligations. For all other matters, this Agreement controls in the event of any conflict between this Agreement and any other document or written or oral statement. Except as otherwise stated above, this Agreement supersedes all prior understandings, writings, proposals, representations, and communications, oral or written, of any party relating to the subject matter hereof.
- d. Notwithstanding the foregoing paragraph, neither Pledgor nor Lender may assign any of its rights under this Agreement without the prior written notification to TD Ameritrade. Notwithstanding the immediately preceding sentence, TD Ameritrade agree that Lender may assign its rights under this Agreement to the preapproved third-party lending institutions listed in Attachment 2 (which may be mutually amended by the parties from time to time) and shall recognize such institutions as being the assignee and a party to this Agreement upon receipt of written instruction from the assignee and an executed assignment agreement between the original Lender and the proposed assignee.
- e. FOR ALL DISPUTES, THE PARTIES AGREE TO WAIVE THEIR RIGHT TO A JURY TRIAL IN ANY COURT ACTION ARISING AMONG THE PARTIES, WHETHER UNDER THIS AGREEMENT OR OTHERWISE RELATED TO THIS AGREEMENT, AND WHETHER MADE BY CLAIM, COUNTERCLAIM, THIRD-PARTY CLAIM, OR OTHERWISE. THE AGREEMENT OF EACH PARTY TO WAIVE ITS RIGHT TO A JURY TRIAL WILL BE BINDING ON ITS SUCCESSORS AND ASSIGNS.
- f. The failure of a party to insist upon a strict performance of or to seek remedy of any one of the terms or conditions of this Agreement or to exercise any right, remedy, or election set forth herein or permitted by law shall not constitute nor be construed as a waiver or relinquishment for the future of such term, condition, right, remedy, or election, but such items shall continue and remain in force and effect. All rights or remedies of a party specified in this Agreement and all other rights or remedies that a party may have at law, in equity or otherwise shall be distinct, separate, and cumulative rights or remedies, and no one of them, whether exercised by a party seeking enforcement or not, shall be deemed to be in exclusion of any other right or remedy of such party. Any consent, waiver, or approval by a party of any act or matter must be in writing and shall apply only to the particular act or matter to which such consent or approval is given.
- g. This Agreement shall be interpreted in accordance with Nebraska law without reference to principles of conflicts of law and shall benefit and be binding upon the parties and their respective successors and assigns. The parties hereby consent to jurisdiction in the State of Nebraska and agree that the courts within Nebraska shall have exclusive jurisdiction over any issues regarding the enforcement of this Agreement.
- h. If any part of this Agreement is determined to be invalid or unenforceable pursuant to applicable law, including, but not limited to, the disclaimers and liability limitations set forth above, then the invalid or unenforceable provision will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision, and the remainder of the Agreement shall continue in effect.

IN WITNESS THEREOF, the parties by their authorized signatories have signed this Agreement.

Acknowledged and Agreed:

LENDER:

Name/Title: ~~Thatcher L. Freeborn, Senior Vice President~~

KLM
KRISTEN MARONEY, AVP

Signature: 

Date: 3/29/19

PLEDGOR:

Name/Title: North Country School (David Hochschartner, Executive Director)

Signature: 

Date: _____

Name/Title: _____

Signature: _____

Date: _____

TD AMERITRADE INC.:

Name/Title: *Michael Baehler*

Signature: 

Date: 3-29-19

TD AMERITRADE CLEARING, INC.:

Name/Title: *Michael Baehler*

Signature: 

Date: 3-29-19

ATTENTION: This form is to be used by Lender ONLY when providing TD Ameritrade with notice under the Collateral/Pledged Asset Account Agreement.

ATTACHMENT I

<Letterhead of Lender>

<date>

To: Mailing Address:
TD Ameritrade Institutional
PO BOX 650567
Dallas, TX 75265-0567

RE: <Name of Pledgor>
Account Number: <Account Number>

Ladies and Gentlemen:

Reference is made to the Collateral/Pledged Asset Account Agreement dated _____ (the "Agreement") between [Pledgor], us (the "Lender"), TD Ameritrade Inc. and TD Ameritrade Clearing, Inc., and you regarding the above-described account (the "Account"). In accordance with the Agreement, we hereby give you notice of our exercise of control of the Account and we hereby instruct you to only accept Instructions regarding the Account from Lender until further notice from us as set forth in the Agreement.

Very truly yours,

<Name of Lender>
As Lender

By: _____

Name: _____

Title: _____

ATTACHMENT II

Lender Assignees Preapproved

- UBS Warburg Real Estate Securities, Inc.
- Greenwich Capital Financial Products, Inc.
- First Union Bank/Wachovia Bank
- CDC Mortgage Capital Inc.
- Credit Suisse First Boston Mortgage Capital LLC
- Any trust or similar entity wholly controlled by Deutsche Bank National Trust Company, as trustee, LaSalle Bank N.A. as trustee, and/or Thornburg Mortgage Home Loans, Inc. which is created to own mortgage loans as part of a securitization of mortgage loans by Thornburg (and any intermediary assignments necessary as part of the securitization).

Mailing Address:
TD Ameritrade Institutional
PO BOX 650567
Dallas, TX 75265-0567

TDAI 3434 REV. 02/17

Investment Products: Not FDIC Insured * No Bank Guarantee * May Lose Value

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Hazardous Materials Indemnity Agreement

HAZARDOUS MATERIALS INDEMNITY AGREEMENT

This **HAZARDOUS MATERIALS INDEMNITY AGREEMENT** (this “Agreement”), dated as of March 29, 2019 is given by **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the “Institution”) to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (the “Bank”) and **ESSEX COUNTY CAPITAL RESOURCE CORPORATION**, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 7566 Court Street, Elizabethtown, New York 12932 (the “Issuer”), in connection with the execution and delivery by the Institution of the Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the “Loan Agreement”), among the Issuer, the Institution and the Bank, the Loan Agreement, dated as of March 29, 2019 (the “RLOC Loan Agreement”), between the Institution and the Bank, the Continuing Covenants Agreement, dated as of March 29, 2019 (the “Covenants Agreement”), between the Institution and the Bank, and the other Credit Documents (as hereinafter defined).

In addition to the terms defined elsewhere herein, the following terms have the following meanings in this Agreement, unless the context otherwise requires:

A. “Credit Documents” means the Financing Documents (as defined in the Covenants Agreement).

B. “Environmental Enforcement Action” means all actions, orders or liens instituted, threatened, required, imposed or placed by any government authority and all claims made or threatened by any other Person against or with respect to all or any portion of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any portion of the Property or constitute a threat of release at any portion of the Property), or any present or past owner or occupant thereof, arising out of or in connection with any of the Environmental Legal Requirements, any environmental condition, or the assessment, monitoring, clean-up, containment, remediation or removal of, or damages caused or alleged to be caused by, any Hazardous Materials (i) located on or under all or any portion of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any portion of the Property or constitute a threat of release at any portion of the Property), (ii) emanating from any portion of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any portion of the Property or constitute a threat of release at the Property), or (iii) generated, stored, transported, utilized, disposed, managed or released by the Institution on or from any portion of the Property.

C. “Environmental Legal Requirements” means all applicable federal, state and local laws, by-laws, rules, regulations, codes and ordinances, or any judicial or administrative interpretations thereof, and the requirements of any governmental agency or authority having or claiming jurisdiction with respect thereto, applicable to the regulation or protection of the

environment, or the health and safety of Persons and property with respect to Hazardous Materials, and shall include, but shall not be limited to, all orders, decrees, judgments and rulings imposed through any public or private enforcement proceedings relating to Hazardous Materials or to the existence, use, discharge, release, containment, transportation, generation, storage, management or disposal thereof, or otherwise regulating or providing for the protection of the environment applicable to all or any portion of the Property and relating to Hazardous Materials, or to the existence, use, discharge, release or disposal thereof. Environmental Legal Requirements presently include, but are not limited to, the applicable provisions of the following laws: the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.), the Safe Drinking Water Act (42 U.S.C. §300(f) et seq.), the Pollution Prevention Act (42 U.S.C. §13101 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §136 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), the Federal Clean Water Act (33 U.S.C. §1251 et seq.), the Federal Clean Air Act (42 U.S.C. §7401 et seq.) and the New York Environmental Conservation Law, the Resource Conservation and Recovery Act and, solely as it pertains to Hazardous Materials or the protection of the environment, the applicable regulations of the Adirondack Park Agency.

D. “Environmental Reports” means the reports and other information (if any) identified on **Exhibit A** hereto.

E. “Hazardous Materials” means and include asbestos, flammable materials, explosives, radioactive or nuclear substances, polychlorinated biphenyls, other carcinogens, oil and other petroleum products, radon gas in indoor air at concentrations above U.S. Environmental Protection Agency action levels, urea formaldehyde, chemicals, gases, solvents, pollutants or contaminants regulated under any Environmental Legal Requirements based on their potential to be a detriment or pose a danger to the environment or to the health or safety of any Person, and any other pollution, contamination or hazardous or toxic materials, wastes and substances which are defined, determined or identified as such in any Environmental Legal Requirements.

F. “Indemnified Party” means: (i) the Bank and the Issuer; (ii) all those claiming by, through or under the Bank or the Issuer, including any subsequent holder of any rights under the Mortgage and the other Financing Documents; (iii) a subsequent owner of all or any portion of the Property following the exercise by the Bank or the Issuer of its rights under the Mortgage, or any of the other Credit Documents including, but not limited to, a foreclosure sale or acceptance of a deed in lieu thereof, provided that such owner is an affiliate of the Bank or the Issuer; and (iv) as to each of the foregoing, their respective affiliate, parent and subsidiary corporations, and, as applicable, the respective officers, directors, stockholders, agents, employees, accountants and attorneys of any one or more of them, and any Person, firm or entity which controls, is controlled by or is under common control with, any one or more of them.

G. “Property” means the real property owned or leased by the Institution, including but not limited to the Property (as defined in the Mortgage), and the improvements from time to time located on any of such real property, and shall also include any other real property of the

Institution with respect to which the Bank or the Issuer now or hereafter receives a mortgage or security interest.

H. “Surrounding Property” means any property located adjacent to the perimeter of any portion of the Property.

I. The terms “generated”, “stored”, “transported”, “utilized”, “disposed”, “managed”, “released” and “threat of release”, and all conjugates thereof, shall have the meanings and definitions set forth in the relevant Environmental Legal Requirements.

J. All capitalized terms used in this Agreement which are not otherwise specifically defined herein shall have the respective meanings ascribed to such terms in the Covenants Agreement.

FOR VALUE RECEIVED, and in order to induce the Bank and the Issuer to enter into the Credit Documents, purchase the Bonds, extend the Line of Credit and/or otherwise extend credit to or for the benefit of the Institution, the Institution hereby represents and warrants to the Bank and the Issuer and unconditionally agrees as follows:

1. Warranties and Representations. The Institution represents and warrants to the Bank and the Issuer, the same to be true as of the date hereof and, unless otherwise specified, throughout the period that any of the Credit Documents shall remain in force and effect that, except as otherwise specifically disclosed in the Environmental Reports:

1.1 No Hazardous Materials at Property. To the knowledge of the Institution, except in the course of the Institution’s business and in compliance with applicable legal requirements, no Hazardous Materials have been, nor are any Hazardous Materials currently generated or stored, transported, utilized, disposed of, released or located, on, under or from any portion of the Property, whether or not in reportable quantities, or in any manner introduced onto any portion of the Property, including, without limitation, from any septic, sewage or other waste disposal systems servicing any portion of the Property;

1.2 No Violations Claimed re Property or Institution. The Institution has not received any notice from the State of New York Department of Environmental Conservation, the United States Environmental Protection Agency or any other governmental authority claiming (i) that any of the Property or any use thereof violates any of the Environmental Legal Requirements, or (ii) that the Institution or any of the Institution’s employees, invitees, lessees, licensees or agents have violated any of the Environmental Legal Requirements with respect to any of the Property or any Surrounding Property;

1.3 No Liability to Governmental Authorities. The Institution has not incurred any liability to the State of New York or the United States of America or any other governmental authority under any of the Environmental Legal Requirements;

1.4 No Lien on Property. No lien against any of the Property has arisen under or related to any of the Environmental Legal Requirements;

1.5 No Enforcement Actions. There are no Environmental Enforcement Actions pending with respect to any of the Property, or to the best of the Institution's knowledge, threatened;

1.6 No Knowledge of Hazardous Materials at Surrounding Property. As of the date hereof, the Institution has no knowledge that any Hazardous Materials have been or are currently generated, stored, transported, utilized, disposed of, managed, released or located on, under or from the Surrounding Property in violation of or allegedly in violation of any of the Environmental Legal Requirements;

1.7 No Knowledge of Violations re Surrounding Property. As of the date hereof, the Institution has no knowledge of any action or order instituted or threatened by any Person or governmental authority rising out of or in connection with the Environmental Legal Requirements involving the assessment, monitoring, clean-up, containment, remediation or removal of or damages caused or alleged to be caused by any Hazardous Materials generated, stored, transported, utilized, disposed of, managed, released or located on, under or from any Surrounding Property;

1.8 No Underground Storage Tanks. There are no underground storage tanks on or under any of the Property; and

1.9 Valid and Binding. This Agreement constitutes the legal, valid and binding obligation of the Institution, enforceable against the Institution in accordance with its terms.

2. Compliance with Environmental Legal Requirements.

2.1 Compliance. As long as the Loan Agreement, the RLOC Loan Agreement or any other Credit Document remains outstanding or any amount or obligation is owed by the Institution to the Bank pursuant to the Credit Documents, the Institution will comply in all material respects with all Environmental Legal Requirements, including, but not limited to, Environmental Legal Requirements applicable to any of the Property, and the Institution will take all remedial action necessary to avoid any liability of the Institution, the Issuer, the Bank or any subsequent owner of all or any portion of the Property and to avoid the imposition of, or to discharge, any liens on all or any portion of the Property, as a result of any failure to comply with any Environmental Legal Requirements applicable to all or any portion of the Property.

2.2 Prohibitions. Without limitation of the generality of the foregoing, the Institution agrees that it shall not:

- (a) release or permit any release or threat of release of any Hazardous Materials on any portion of the Property in violation of applicable Environmental Legal Requirements;

- (b) except in strict compliance with all applicable Environmental Legal Requirements, generate or permit any Hazardous Materials to be generated on any portion of the Property;
- (c) except in strict compliance with all Environmental Legal Requirements, store or utilize or permit any Hazardous Materials to be stored or utilized on any portion of the Property;
- (d) except in strict compliance with all applicable Environmental Legal Requirements, dispose of or permit any Hazardous Materials to be disposed of on any portion of the Property;
- (e) fail to operate, maintain, repair or use all or any portion of the Property in accordance with Environmental Legal Requirements; or
- (f) allow, permit or suffer any other Person to operate, maintain, repair or use all or any portion of the Property except in accordance with all applicable Environmental Legal Requirements.

3. Notice of Conditions. As promptly as reasonably possible, but in no event later than 10 Business Days after the Institution obtains knowledge or notice thereof, the Institution will provide to the Bank written notice of any of the following conditions: (i) the presence, release or threat of release of any Hazardous Materials on, under or from any portion of the Property or any Surrounding Property (but as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any of the Property or constitute a threat of release at any of the Property), in violation of Environmental Legal Requirements whether or not caused by the Institution; (ii) any Environmental Enforcement Action instituted or threatened in writing; or (iii) any condition or occurrence on all or any portion of the Property or any Surrounding Property that may constitute a violation of any of the Environmental Legal Requirements with respect to all or any portion of the Property.

4. Institution's Agreement to take Remedial Actions.

4.1 Remedial Actions. Upon the Institution becoming aware of the violation of any Environmental Legal Requirement related to all or any portion of the Property or the presence or any release or any material threat of release of any Hazardous Materials on, under or from all or any portion of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any of the Property or constitute a threat of release at any of the Property) in violation of Environmental Legal Requirements, whether or not caused by the Institution, the Institution shall, subject to the rights to contest set forth in Section 7 below, immediately take all actions necessary to cure or eliminate any such violation of any such Environmental Legal Requirement and, where applicable, to arrange for such assessment, monitoring, clean-up, containment, removal, remediation or restoration of each portion of the Property and (if applicable and only to the extent that

the Institution has the legal right and obligation to do so) the Surrounding Property as are required pursuant to any Environmental Legal Requirements.

4.2 Security for Costs. If the potential costs associated with the actions required in Section 4.1, the release of any lien against all or any portion of the Property and/or the release or other satisfaction of the liability, if any, of the Institution with respect to all or any portion of the Property arising under or related to any of the Environmental Legal Requirements or any Environmental Enforcement Action are determined by the Bank, in good faith, to exceed \$50,000, the Bank shall have the right (in addition to any other right or remedy) to require the Institution to provide, and the Institution shall within 30 days after written request therefor (i) provide a bond, letter of credit or other similar financial assurance, in form, amount and substance reasonably satisfactory to the Bank, or (ii) set aside sufficient reserves in an amount reasonably satisfactory to the Bank, in each case, in its good faith judgment based on the reasonably estimated costs for such matter, evidencing to the Bank's reasonable satisfaction that the necessary financial resources will be unconditionally available to pay for all of the foregoing.

4.3 Environmental Assessments. Without limitation of the provisions of Section 5 below, the Bank shall have the right to require the Institution, at the Institution's own cost and expense, to obtain a professional environmental assessment of each portion of the Property in accordance with the Bank's then standard environmental assessment requirements and sufficient in scope to comply with the requirements of Section 5.1 upon the occurrence of any one or more of the following events: (i) an Event of Default; or (ii) receipt of any notice of any of the conditions specified in Section 3 of this Agreement.

5. Bank's Rights to Inspect the Property and Take Remedial Actions.

5.1 Assessments. In addition to, and not in limitation of any of its other rights and remedies under this Agreement or any of the other Credit Documents, as long as any Obligation is outstanding or the Loan Agreement, the RLOC Loan Agreement or other credit facility provided by the Bank for the Institution remains in effect or any other amount or obligation is owed by the Institution to the Bank, the Bank shall have the right, but not the obligation, through such representatives or independent contractors as it may designate, to enter upon the Property or any of same and to expend funds to cause one or more environmental assessments of all or any portion of the Property to be undertaken (i) at any time if the Bank, in its reasonable discretion determines that there is reasonable cause for such assessment or has reason to suspect any violation of Environmental Legal Requirements with respect to any of the Property; (ii) at the Bank's discretion at reasonable intervals but no more than once every 3 years; (iii) at any time following an Event of Default; or (iv) at the times as may be required by any regulatory authority, now or hereafter affecting the Bank, and/or internal written guidelines developed or adopted by the Bank from time to time for borrowers and/or properties similar to the Institution and the Property, whether or not the Bank knows of or has reason to suspect any violation of Environmental Legal Requirements with respect to any of the Property. Such

environmental assessments may include, without limitation, (a) detailed visual inspections of any or all of the Property, including, without limitation, all storage areas, storage tanks, drains, drywells and leaching areas; (b) the taking of soil samples and surface and sub-surface water samples to assess the reasonable suspicion of a release of Hazardous Materials; (c) the performance of soils and ground water analyses to assess the reasonable suspicion of a release of Hazardous Materials; and (d) the performance of such other investigations or analyses as are necessary or appropriate and consistent with sound professional environmental engineering practice in order for the Bank to obtain a complete assessment of the compliance of any or all of the Property and the use thereof with all Environmental Legal Requirements and to make a determination as to whether or not there is any reasonably suspected risk of contamination (x) to any of the Property resulting from Hazardous Materials originating on, under or from the Property or any Surrounding Property or (y) to any Surrounding Property resulting from Hazardous Materials originating on, under or from any of the Property.

5.2 Other Rights of Bank. In addition to, and not in limitation of any of its other rights and remedies under this Agreement or any of the other Credit Documents, as long as any of the Obligations or any other credit facility provided by the Bank for the Institution remain outstanding or any other amount or obligation is owed by the Institution to the Bank, upon the occurrence of (i) an Event of Default, or (ii) receipt of any notice of any of the conditions specified in Section 3 of this Agreement with respect to any of the Property, the Bank shall have the right, but not the obligation, through such representatives or independent contractors as it may designate, to enter upon any or all of the Property and to expend funds to:

5.2.1 Cure. Cure any breach of the representations, warranties, covenants and conditions made by or imposed upon the Institution under this Agreement, including, without limitation, any violation by the Institution or by any of the Property of any of the Environmental Legal Requirements applicable to any of the Property;

5.2.2 Prevention and Precaution. Take all actions as are necessary to (i) prevent the migration of Hazardous Materials on, under or from any of the Property to any other property; (ii) clean up, contain, remediate or remove any Hazardous Materials on, under the Property in violation of Environmental Legal Requirements or from the Property to any other property, which Hazardous Materials originated on, under or from any of the Property; or (iii) (to the extent there is a legal right and obligation so to do) prevent the migration of any Hazardous Materials on, under or from any other property to any of the Property;

5.2.3 Environmental Enforcement Actions. Comply with, settle or otherwise satisfy any Environmental Enforcement Action, including, but not limited to, the payment of any fines or penalties imposed by any governmental authority and the payment of all amounts required to remove any lien or threat of lien on or affecting any of the Property; and

5.2.4 General. Comply with, settle or otherwise satisfy any Environmental Legal Requirement and correct or abate any environmental condition on, or which threatens, any of the Property and which could cause damage or injury to any of the Property or to the Surrounding Property (to the extent the cause of such damage or injury originates at the Property) or to any Person at the Property.

5.3 Recovery of Costs. Any amounts paid or advanced by the Bank and all costs and expenditures incurred in connection with any action taken pursuant to the terms of this Agreement, including but not limited to environmental consultants, and experts' fees and expenses, attorneys' fees and expenses, court costs and all costs of assessment, monitoring, clean-up, containment, remediation, removal and restoration, with interest thereon at the highest rate payable under the Credit Documents, shall be a demand obligation of the Institution to the Bank, shall be added to the obligations secured by the Credit Documents and shall be secured by the lien of the Credit Documents as fully and as effectively and with the same priority as every other obligation secured thereby.

5.4 Bank Not Responsible. The exercise by the Bank of any one or more of the rights and remedies set forth in this Section 5 shall not operate or be deemed (a) to place upon the Bank any responsibility for the operation, control, care, service, management, maintenance or repair of any of the Property or (b) to make the Bank the "owner" or "operator" of any of the Property or a "responsible party" within the meaning of any of the Environmental Legal Requirements.

5.5 Bank's Subrogation. Furthermore, the Bank by making any such payment or incurring any such costs shall be subrogated to all rights of the Institution, or any other occupant of any of the Property to seek reimbursement from any other Person including, without limitation, any predecessor owner or occupant of any of the Property who may be a "responsible party" under any of the Environmental Legal Requirements in connection with the presence of Hazardous Materials on or under or which emanated from any of the Property.

5.6 Bank May Stop. Without limiting the generality of the other provisions of this Agreement, any partial exercise by the Bank of any one or more of the rights and remedies set forth in this Section 5 including, without limitation, any partial undertaking on the part of the Bank to cure any failure of the Institution or of any of the Property, or of any other occupant, prior occupant or prior owner thereof, to comply with any of the Environmental Legal Requirements shall not obligate the Bank to complete such actions taken or require the Bank to expend further sums to cure such non-compliance.

6. Indemnification. The Institution hereby agrees that at all times, both before and after the repayment and discharge of the obligations secured by any of the Credit Documents, the Institution shall at its sole cost and expense indemnify, defend, exonerate, protect and save harmless each Indemnified Party against and from any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or nature whatsoever, including, without limitation,

reasonable attorneys' and experts' fees and disbursements, which may at any time be imposed upon, incurred by or asserted or awarded against any Indemnified Party arising from or out of:

6.1 Hazardous Materials. Any Hazardous Materials on, in, under or affecting all or any portion of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any of the Property or constitute a threat of release at any of the Property) on or before the date hereof, or which may hereafter affect all or any portion of the Property or migrate from the Property to any Surrounding Property, whenever discovered and whether or not disclosed in the Environmental Reports and whether or not now known to the Institution, the Issuer and/or the Bank;

6.2 Environmental Legal Requirements. The violation of any Environmental Legal Requirement by the Institution or with respect to any of the Property or any Surrounding Property (but, as to Surrounding Property, only to the extent that any Hazardous Materials on such Surrounding Property have migrated to any of the Property or constitute a threat of release at any of the Property) existing on or before the date hereof or which may so exist in the future, whenever discovered and whether or not disclosed in the Environmental Reports;

6.3 Breach of Warranty, Representation or Covenant. Any breach of warranty or representation or covenant made by the Institution under or pursuant to this Agreement; and/or

6.4 General. The enforcement of this Agreement, whether any of such matters arise before or after foreclosure by the Bank or other taking of title to or possession of all or any portion of the Property by the Bank or by any other Indemnified Party, and specifically including therein, without limitation, the following: (i) reasonable costs incurred for any of the matters set forth in Section 5 of this Agreement; and (ii) reasonable costs and expenses incurred in ascertaining the existence or extent of any asserted violation of any Environmental Legal Requirements relating to any of the Property and any remedial action taken on account thereof including, without limitation, the reasonable costs, fees and expenses of engineers, geologists, chemists, other scientists, attorneys, surveyors, and other professionals, or testing and analyses performed in connection therewith.

Notwithstanding the foregoing, the indemnity contained in this Section 6 expressly excludes any loss, liability, damage or expense resulting from a release of Hazardous Materials at any portion of the Property or violation of Environmental Legal Requirements at the Property if both of the following criteria are met: (A) the circumstances giving rise to such loss, liability, damage or expense occur only after foreclosure with respect to such portion of the Property or acceptance by the Bank of a deed in lieu of foreclosure with respect to such portion of the Property or following and during the continuance of entry by the Bank as a mortgagee-in-possession with respect to such portion of the Property, and (B) the circumstances giving rise to such loss, liability damage or expense do not result in any manner from actions taken or circumstances existing on any of the Property prior to such foreclosure, acceptance of a deed in lieu or entry.

7. Right to Contest. The Institution may contest in good faith any claim, demand, levy or assessment under any Environmental Legal Requirements, including, but not limited to, any claim with respect to Hazardous Materials, by any Person, and pursuing any claim with respect to Hazardous Materials against any third party reasonably likely to be liable under Environmental Legal Requirements, but only if and for so long as:

7.1 Material Question in Good Faith. The contest is based upon a material question of law or fact raised by the Institution in good faith; and

7.2 Diligent Pursuit. The Institution properly commences and thereafter diligently pursues the contest to completion; and

7.3 No Impairment. The contest will not materially impair the taking of any remedial action with respect to such claim, demand, levy or assessment required to protect against further damage to any of the Property or the Surrounding Property; and

7.4 Adequate Resources. The Institution demonstrates to the Bank's reasonable satisfaction that the Institution has the financial capability to undertake and pay for such contest and any remedial action then or thereafter necessary; and

7.5 Resolve in a Timely Manner. There is no reason to believe that the contest will not be resolved prior to the earlier of (i) the final maturity date of the Bonds, or (ii) the second anniversary of the commencement of such contest; and

7.6 No EOD. No Event of Default exists under any Credit Document.

8. Waivers. The Institution hereby waives and relinquishes to the fullest extent now or hereafter not prohibited by applicable law:

8.1 Marshalling. Any right or claim of right to cause a marshalling of the Institution's assets or of any security or to cause the Bank to proceed against any of the collateral for the obligations secured by the Credit Documents before proceeding under this Agreement against the Institution; and

8.2 Notice. Notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest, and any and all notices of nonpayment, nonperformance, nonobservance or default.

8.3 Waiver of Jury Trial. THE INSTITUTION AND THE BANK EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTIES, THIS WAIVER BEING A MATERIAL INDUCEMENT

FOR THE BANK TO ACCEPT THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS.

9. Cumulative Rights. The Bank's rights under this Agreement shall be in addition to and not in limitation of all of the rights and remedies of the Bank under the Credit Documents. All rights and remedies of the Bank shall be cumulative and may be exercised in such manner and combination as the Bank may determine.

10. No Impairment. The liability of the Institution hereunder shall in no way be limited or impaired by:

10.1 Extensions. Any extension of time for performance required by any of the Credit Documents;

10.2 Amendments. Any amendment to or modification of any of the Credit Documents;

10.3 Transfer. Any sale or assignment of any of the Credit Documents or any interest therein or any sale or transfer of all or any part of the Property or any interest therein;

10.4 Exculpatory Language. Any exculpatory or nonrecourse or limited recourse provision in any of the Credit Documents limiting the Bank's recourse to any property or limiting the Bank's rights to a deficiency judgment against the Institution or any other party;

10.5 Inaccuracies. The accuracy or inaccuracy of any of the representations or warranties made by or on behalf of the Institution under the Credit Documents or otherwise;

10.6 Release. The release of the Institution or of any other Person from performance or observance of any of the agreements, covenants, terms of conditions contained in any of the Credit Documents (other than this Agreement), by operation of law, the Bank's voluntary act, or otherwise;

10.7 Bankruptcy or Reorganization. The filing of any bankruptcy or reorganization proceeding by or against the Institution or any subsequent owner or tenant of any of the Property;

10.8 Substitution. The release or substitution in whole or in part of any collateral or security for any obligations described in any of the Credit Documents;

10.9 Failure to Perfect. The Bank's failure to record the Mortgage or to file any UCC financing statements (or the Bank's improper recording or filing of any thereof or failure to continue same) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for any of the obligations described in any of the Credit Documents; or

10.10 Invalidity. The invalidity or unenforceability of all or any portion of any of the Credit Documents (other than this Agreement) as to the Institution or as to any other Person.

11. Delay Not Waiver. No delay on the Bank's part in exercising any right, power or privilege hereunder or under any of the Credit Documents shall operate as a waiver of any such privilege, power or right. No waiver by the Bank in any instance shall constitute a waiver in any other instance.

12. Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. Each of the counterparts shall constitute but one in the same instrument and shall be binding upon each of the parties individually as fully and completely as if all had signed but one instrument.

13. Notices. Any notice or other communication in connection with this Agreement shall be in writing and shall be given in the manner and to the respective addresses provided for in the Covenants Agreement.

14. No Oral Change. No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver or discharge or termination is sought.

15. Parties Bound; Benefit. This Agreement shall be binding upon the Institution, its successors and assigns and shall be for the benefit of the Issuer, the Bank, and of any subsequent holder of any of the Credit Documents and of any owner of a participation interest therein. In the event the Bank's interest in any obligation now or hereafter existing under the Credit Documents is sold or transferred, then the liability of the Institution to the Bank shall then be in favor of both that the Bank which is originally named herein and each subsequent holder of any such obligation or any interest therein.

16. Partial Invalidity. Each of the provisions hereof shall be enforceable against the Institution to the fullest extent now or hereafter permitted by law. The invalidity or unenforceability of any provision hereof shall not limit the validity or enforceability of each other provision hereof, nor shall any invalidity or unenforceability as against any one Person limit validity or enforceability as against any other Person.

17. Governing Law and Consent to Jurisdiction. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by and construed and enforced in accordance with the laws of The Commonwealth of Massachusetts, as well as applicable federal and State of New York law, insofar as federal and state Environmental Legal Requirements are concerned, in accordance with applicable federal law as well. The Institution hereby irrevocably submits to the nonexclusive jurisdiction of any Massachusetts state court or any federal court sitting in Massachusetts over any suit, action or proceeding arising out of or relating to this Agreement and the Institution hereby agrees and consents that in addition to any methods of service of process provided for under applicable law, all service of process in any

such suit, action or proceeding in any Massachusetts state court or federal court sitting in Massachusetts may be made by certified or registered mail, return receipt requested, directed to the Institution at the address set forth in the Loan Agreement and service so made shall be deemed completed three Business Days after the same shall have been so mailed.

18. Survival. The provisions of this Agreement shall continue in effect and shall survive (among other events) any payment and satisfaction of the obligations now or hereafter existing under any of the Credit Documents, any termination or discharge of the Obligations, foreclosure, a deed-in-lieu transaction, or release of any collateral. However, the Issuer and the Bank acknowledge that the Institution is not liable for any loss, liability, damage or expense resulting from a release of Hazardous Materials at any portion of the Property or from the violation of Environmental Legal Requirements if both of the following criteria are met: (i) such release occurs after foreclosure of the Mortgage with respect to such portion of the Property or acceptance by the Bank of a deed in lieu of foreclosure of the Mortgage with respect to such portion of the Property or following and during the continuance of entry by the Bank as a mortgagee-in-possession with respect to such portion of the Property, and (ii) such release does not result in any manner from actions taken or circumstances existing prior to such foreclosure, acceptance of a deed in lieu or entry.

[Remainder of Page Intentionally Left Blank.]

Witness the execution and delivery hereof, as an instrument under seal, dated as of the date first written above.

NORTH COUNTRY SCHOOL


By: 
David Hochschartner
Executive Director

Exhibit A

Environmental Reports

Order on Consent, dated May 29, 2018, issued by the New York State Department of Environmental Conservation with respect to the Institution's waste treatment facilities.

ACTIVE 41906008v3

Transcript Document No. 28

Commitment

BOSTON PRIVATE

WEALTH ▫ TRUST ▫ PRIVATE BANKING

February 19, 2019

CONFIDENTIAL

North Country School Inc.
4382 Cascade Road
Lake Placid, New York 12946
Attention: Chief Financial Officer

Dear Mr. Sabbow:

I am pleased to advise you that Boston Private Bank & Trust Company (the "Bank") has approved the following financing commitments to North Country School Inc. (the "Borrower"), subject to the terms and conditions set forth below. Our willingness to provide the financing described below is conditioned upon the Borrower's satisfaction of all terms and conditions listed below.

I. Credit Facilities: The Bank is pleased to offer the Borrower the following facilities:

Facility 1: Tax-exempt bond financing in the amount of up to \$5,300,000.

Facility 2: Tax-exempt bond financing in the amount of up to \$1,800,000.

Facility 3: Demand revolving line of credit in the amount of up to \$1,000,000 (subject to the line of credit advance limitations set forth below).

Purpose: Facilities 1 and 2: To refinance certain outstanding indebtedness of the Borrower, to finance certain capital improvements to the Borrower's facilities located on its campus at 4382 Cascade Road, Lake Placid, New York (the "Campus"), including the construction of a new performing arts center, improvements to the Borrower's waste treatment facilities, and renovation of Hansen House, Hike House, Round Lake Cottage and the teaching/learning kitchen (collectively, the "Project"), and to pay costs of issuance.

Facility 3: Working capital.

Maturity: Facility 1: Fifteen years from closing.

Facility 2: Seven years from closing.

Facility 3: Payable on demand of the Bank, and subject to review and extension annually.

Interest Rate:

Facility 1: A 15-year fixed rate calculated as the Bank's tax-exempt equivalent of the sum of the Federal Home Loan Bank of Boston ("FHLB") 15-year Classic Advance Rate, plus 1.40%. Today's rate would be $0.79 \times (3.79\% + 1.40\%)$, resulting in a rate of **4.10%**.

Facility 2: A 7-year fixed rate calculated as the Bank's tax-exempt equivalent of the sum of the FHLB 7-year Classic Advance Rate, plus 1.40%. Today's rate would be $0.79 \times (3.29\% + 1.40\%)$, resulting in a rate of **3.71%**.

Facility 3: A monthly variable rate calculated as the sum of one-month LIBOR, plus 2.00%. The rate will reset monthly.

Interest is calculated based on a 360-day year for the actual number of days elapsed. Each interest rate will be set at 10:00 am two business days prior to the closing. Rates above are indicative as of the date of this Commitment.

To the extent that interest on Facility 1 or Facility 2 (each, a "Tax-Exempt Facility") is or becomes taxable at any time during the term of such Facility, the financing documents will provide for an increase to a taxable rate of interest, to be calculated in accordance with the applicable formula described above but without regard to the tax-exempt equivalency factor.

If for any reason one-month LIBOR is no longer available at a reset date or the LIBOR administrator (or its regulatory supervisor) has announced that such administrator has ceased or will cease to provide such rate, the financing documents will provide that the applicable variable rate shall be calculated using the replacement benchmark rate designated by the Alternative Reference Rates Committee or such other index as is generally recognized in the relevant marketplace as the replacement for one-month LIBOR as determined by the Bank in its sole discretion, and giving effect to any spread adjustment to account for the difference between one-month LIBOR and such successor benchmark as determined by the Bank in its sole discretion.

If the maximum marginal statutory rate of federal tax imposed on corporations generally (whether or not the Bank is actually taxed at said maximum marginal statutory rate) decreases (or increases) during any period that a Tax-Exempt Facility is outstanding, then the interest rate on such Tax-Exempt Facility shall be adjusted, effective upon the effective date of such decrease (or increase), such that the tax-exempt equivalency factor used in calculating the interest rate pursuant to the formula set forth above, shall be increased (or decreased) proportionately so that if such maximum marginal statutory rate were to decrease to zero, then said tax-exempt equivalency factor would increase to 100%, provided that in no event will the tax-exempt equivalency factor be less than 71%.

Interest Rate

Lock:

The Borrower may elect to lock-in the interest rate on Facilities 1 and 2 at fixed rates determined pursuant to the applicable formulas set forth above for a period of 60 days from the date of the receipt by the Bank of an interest rate lock agreement executed by the Borrower (the "Interest Rate Lock Period"), and payment to the Bank of a fee in the amount of \$23,600 (the "Interest Rate Lock Fee"), which Interest Rate Lock Fee is not refundable.

Payments:

Facility 1: Monthly payments of interest only for the first twelve months, followed by level monthly payments of principal and interest based on a 30-year amortization. All outstanding principal and interest shall be due at maturity.

Facility 2: Monthly payments of interest only. All outstanding principal and interest shall be due and payable at maturity.

Facility 3: Monthly payments of interest only. All outstanding principal and interest shall be due and payable on the earlier of demand, the expiration of the facility, or default.

Commitment Fee: \$20,250.

Collateral:

Facilities 1, 2 and 3: A first priority all asset security interest, including a lien on gross receipts and a pledge of the Investment Account (as defined below), and a negative pledge of the Campus. The Investment Account will be yield restricted.

**Springing
Mortgage:**

In addition, the Borrower will execute and deliver to the Bank a mortgage on the Campus. If the Borrower fails to comply with any

financial covenant listed below, or any other event of default occurs, the Bank may record the springing mortgage, and the Borrower shall promptly provide to the Bank (a) a lender's title insurance policy insuring the full amount of the Facilities in form and substance satisfactory to the Bank, (b) a current legal description and updated survey of the Campus, (c) a certificate of insurance from an independent insurance broker confirming the insurance required to be maintained pursuant to the springing mortgage, naming the Bank as mortgagee and loss payee with respect to such insurance, (d) copies of all environmental reports with respect to the Campus, including an updated environmental report at the reasonable option of the Bank, and (e) such other documents, information and opinions of counsel that the Bank may reasonably request. The title insurance policy shall be issued by a title insurance company acceptable to the Bank and shall contain no exceptions, except such exceptions as the Bank shall approve in writing. The title insurance policy shall affirmatively insure against all mechanics' and materialmen's liens, and that the Campus has access to a public way for contemplated purposes, and shall contain such other endorsements as are required by the Bank. The Borrower will pay all title insurance premiums, recording and filing fees and charges, costs of any environmental reports, and other expenses incurred by the Bank in connection with the recording of the springing mortgage.

**Prepayment
Fee:**

Facility 1: If the Borrower prepays Facility 1 before maturity the Borrower shall pay a prepayment premium equal to the Yield Maintenance Fee, provided that payments from capital campaign proceeds or other fundraising gifts or receipts designated for the Project by the donor or the Borrower shall be without premium. The "Yield Maintenance Fee" is equal to the sum of (A) all costs, fees and expenses incurred by the Bank due to the prepayment, plus (B) the present value of the difference between (1) the amount that would have been realized by the Bank on the prepaid amount for the remaining fixed-rate term of the Facility at the stated interest rate and (2) the amount that would be realized by the Bank by reinvesting such prepaid funds for the remaining fixed-rate term of the Facility, interpolated to the nearest month, at a replacement fixed rate equivalent to the interest rate index plus spread used to determine the interest rate of the Facility. Should part (B) of the penalty calculation above have a negative value, such negative value shall not reduce the total yield maintenance fee and, in such event, the Borrower may prepay the indebtedness by paying part (A).

Facilities 2 and 3: None.

**Interest Rate
Adjustment:**

If, prior to the first anniversary of the closing date, the balance in the Investment Account is at least \$11,000,000 (the "Minimum Balance"), the interest rate on each Facility shall be reduced by 11 basis points, effective as of the date on which the Minimum Balance is achieved, provided that such reduced interest rate shall be in effect only for so long as the Borrower maintains the Minimum Balance in the Investment Account.


**II. Financial Reporting
and Financial Covenants:**

**Financial
Reporting:**

The Borrower shall provide the following:

- Within 120 days after the end of each fiscal year of the Borrower, annual audited financial statements, including a balance sheet, a statement of income, and a statement of cash flows, all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year and all prepared in accordance with GAAP, consistently applied and audited by independent certified public accountants selected by the Borrower and approved by the Bank.
- At the time of submission of the annual audited financial statements described above, an annual compliance certificate of the Borrower's chief executive/financial officer, including confirmation that no events of default have occurred under the financing documents.
- Within 120 days after the end of each fiscal year of the Borrower a report of operating data, including annual enrollment statistics (for both North Country School and Camp Treetops), admission data, annual tuition and fees, and financial aid information.
- Each October 31, the Borrower's annual operating and capital budgets for the then current fiscal year, in form and substance satisfactory to the Bank.
- Each April 15 and October 15, management prepared semi-annual financial statements, in form and substance satisfactory to the Bank.

THIS IS A TWO-SIDED DOCUMENT

 <p>NEW YORK STATE OF OPPORTUNITY.</p> <p>Adirondack Park Agency</p> <p>P.O. Box 99, 1133 NYS Route 86 Ray Brook, New York 12977 Tel: (518) 891-4050 Fax: (518) 891-3938 www.apa.ny.gov</p>	<p>APA Project Permit 2018-0018</p>
	<p>Date Issued: July 25, 2018</p>
<p>In the Matter of the Application of NORTH COUNTRY SCHOOL, INC. CAMP TREETOPS</p> <p>for a permit pursuant to § 809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before September 24, 2018. Please index this permit in the grantor index under the following names: 1. North Country School, Inc. 2. Camp Treetops</p>

SUMMARY AND AUTHORIZATION

This permit authorizes the construction of a 1000± square foot public use building to be used as a "teaching-learning kitchen" on the North Country School/Camp Treetops campus in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This permit shall expire unless recorded in the Essex County Clerk's Office on or before September 24, 2018, in the names of all persons listed above and in the names of all owners of record of any portion of the project site on the recordation date.

The project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the building authorized herein is completed.

The project shall be undertaken in compliance with all conditions stated herein. Failure to comply with this permit is a violation and may subject the permittee, successors, and assigns to civil penalties and other legal proceedings.

This permit does not convey any right to trespass upon the lands or interfere with the riparian rights of others in order to undertake the authorized project, nor does it authorize the impairment of any easement, right, title or interest in real or personal property.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the permittee to comply with all applicable laws and regulations or to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

Project & Permit
No. 2018-0018

PROJECT SITE

The project site includes a 200± acre parcel located on the North side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School, Inc. dated February 28, 2003 which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. The project site is improved by the campus of North Country School and Camp Treetops, a private school and summer children's camp, respectively.

PROJECT DESCRIPTION

The project as conditionally approved herein involves construction of a new 1000 ± square foot building to be used as a "teaching-learning kitchen." An existing pump house will be removed and replaced in the same location by the new teaching-learning kitchen, located close to the main school building and accessible by the existing campus driveways and walkways. As proposed, the new 1000± square foot teaching-learning kitchen will be a component building of the existing school and summer camp programs, and as such is a "Public use building" for the purpose of Agency jurisdiction.

The proposed project is shown on the following maps and plans (hereinafter "Project Plans"):

- A *Site Plan / Erosion and Sediment Control Plan* entitled, "North Country School – TLK 101," received at the Agency April 2, 2018.
- Two (2) sheets of *Structure Drawings* including floor plan and elevations entitled "North Country School TLK-Scheme-A-Basement and Stair," received at the Agency on March 21, 2018.
- A *Construction Drawing*, entitled, "Camp Treetops – T/L Kitchen", prepared by William Forster, and last revised February 23, 2018.

A reduced-scale copy of the *Site Plan/Erosion and Sediment Control Plan* is attached as a part of this permit for easy reference. The original, full-scale maps and plans described in this paragraph are the official plans for the project, with copies available upon request from Adirondack Park Agency headquarters in Ray Brook, New York.

AGENCY JURISDICTION

The project requires an Agency permit pursuant to §§ 809(2)(a) and 810(2)(c)(6) of the Adirondack Park Agency Act [Executive Law, Article 27], as a new public use building on Rural Use area lands. The project also requires an Agency permit due to conditions in prior Agency permits.

Project & Permit
No. 2018-0018

CONDITIONS

THE PROJECT IS APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

1. The project shall not be undertaken until this permit has been recorded in the Essex County Clerk's Office.
2. This permit is binding on the permittee, all present and future owners or lessees of the project site, and all persons undertaking all or a portion of the project. *Copies of this permit and the project plans shall be furnished by the permittee to all subsequent owners or lessees of the project site prior to sale or lease, and by the permittee and/or any subsequent owner or lessee to all persons undertaking any development activities authorized herein.*
3. In addition to complying with all terms and conditions of this permit, all future activities on the project site shall be undertaken in compliance with the requirements of New York State's Adirondack Park Agency Act, Freshwater Wetlands Act, and the Adirondack Park Agency's implementing regulations [9 NYCRR §§ 570-588].
4. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2018-0018, issued July 25, 2018, the conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."

Development

Construction Location and Size

5. This permit authorizes the construction of the new teaching-learning kitchen (public use building) in the location shown and as depicted on the Project Plans. Any change to the location, dimensions, height or other aspect of the structure shall require prior written Agency authorization, or a new or amended Agency permit.
6. Pursuant to Section 809(2)(a) of the Adirondack Park Agency Act/9 NYCRR § 577.4, the undertaking of any new land use or development not authorized herein on the project site within one-eighth mile of the State Land Wilderness area, or within 150 feet of the edge of the right-of-way of NYS Route 73, will require a new or amended permit. The undertaking of any activity involving wetlands also requires a new or amended permit.

Building Color

7. All exterior building materials of the teaching-learning kitchen, including roof, siding and trim, shall be a dark shade of green, grey, or brown.

Project & Permit
No. 2018-0018

Outdoor Lighting

8. Any new free-standing or building-mounted outdoor lights associated with the new teaching-learning kitchen on the project site shall employ full cut-off fixtures that are fully shielded to direct light downward and not into the sky or toward NYS Route 73 or adjoining property.

Wetlands

9. The undertaking of any activity involving wetlands shall require a new or amended permit.

Reports

10. At the request of the Agency, the permittee or the permittee's successor shall report in writing the status of the project, including details of compliance with any terms and conditions of this permit.

Infrastructure

Wastewater

11. All wastewater on the project site shall be connected to and served by the on-site wastewater treatment facility. The wastewater treatment facility shall operate and be monitored in accordance with all authorizations issued by New York State Department of Environmental Conservation, including Order On Consent (No. R5-20170710-2253).

Stormwater Management/Erosion Control

12. The project shall be undertaken in compliance with the Project Plans and Erosion and Sediment Control Plan.

Vegetation / Statutory Critical Environmental Area

13. No trees, shrubs or other woody-stemmed vegetation shall be removed within 25 feet of the edge of the highway right-of-way or within 25 feet of the adjacent State Land Wilderness area, unless a new or amended permit is obtained. Outside of the 25 foot vegetative buffer, the selective removal of vegetation on the project site shall be undertaken in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry, and shall be undertaken such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained. In no case shall the removal of vegetation result in development on the project site becoming more visible from the State land Wilderness area or NYS Route 73. This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Project & Permit
No. 2018-0018

Any changes or updates to the Forest Management Plan shall be submitted to the Agency for review to ensure the changes do not result in adverse impacts to the critical environmental areas and to determine if the revised plan requires a new or amended Agency permit.

Energy Use and Conservation

14. The facilities authorized herein shall at minimum, comply with the current Energy Conservation Construction Code of New York State.

FINDINGS OF FACT

Background/Prior History

1. Tax designation 52.04-1-11 on the north side of Route 73, is improved by a private school (North Country School) and a private summer children's camp (Camp Treetops) in a rural setting, and contains many seasonal and year-round structures including, but not limited to, a large main building with living quarters, a dormitory, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, and maintenance buildings.
2. Prior Agency actions include:
 - Jurisdictional determination J2005-569A determined that replacement of the pre-existing on-site wastewater treatment system on the project site did not require an Agency permit.
 - Agency enforcement case E2006-53 resolved the construction of a post-1973 single family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all the existing structures subject of the enforcement case were deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.
 - Agency Permit 2006-278 authorized the construction of a new greenhouse and re-location of an existing greenhouse on the project site.
 - Agency Permit 2008-38 authorized the construction of a new, two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73.

Project & Permit
No. 2018-0018

- Agency Permit 2011-178 authorized the expansion of the Dining Hall by approximately 56 percent.

Project Site

Critical Environmental Areas

3. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in statutory "Critical Environmental Area" (CEA). The project site is adjacent to the Sentinel Range State Land Wilderness area. That portion of the property located within 1/8 mile of the adjoining New York State lands designated as "Wilderness" area is also located in a statutory CEA.

Water Resources/Wetlands

4. Round Lake is partially located in the northwest corner of the project site. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert the landowners, and others, that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Vegetation

5. Outside of the main campus area the site is forested with a mixture of coniferous and deciduous vegetation, managed in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry. Existing vegetation on the north side of Route 73 entirely screens the school and campus area on Lot 11 from the highway. Primarily, only the sign is visible.

Historic Sites or Structures

6. The project site contains structures which are more than 50 years old. As such, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) was consulted. By a letter dated February 1, 2018, OPRHP determined that the project will have No Impact upon the cultural resources in or eligible for inclusion in the State and National Registers of Historic Places.

Nearby Land Uses

7. Nearby land uses primarily include a mixture of residential and commercial uses and State lands.

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No. 2018-0018

Density

8. The new teaching-learning kitchen will constitute one new principal building. Therefore, after the project authorized herein is undertaken, a mathematical potential maximum density of 13 principal building rights may remain on tax lot 11. However, this estimate is based on approximate acreages and not on a formal survey. A formal survey of the entire acreage and existing development would be required for an exact density calculation and could result in a different number of principal buildings. Also, the Agency makes no assurances that the maximum development mathematically allowed can be approved.

Public Notice and Comment

9. The Agency notified all adjoining landowners and other parties and published a Notice of Complete Permit Application in the Environmental Notice Bulletin, as required by the Adirondack Park Agency Act. No comments have been received.

Other Permitting

New York State Department of Environmental Conservation

10. The existing on-site wastewater treatment facility is subject to a State Pollution Discharge Elimination System (SPDES) permit from the New York State Department of Environmental Conservation (NYSDEC). Required improvements to the wastewater treatment facility, including compliance monitoring and mitigation actions, will be undertaken in accordance with a NYSDEC Executed Order On Consent (Case No. R5-20170710-2253).
11. The Local Government Notice Form signed by the local Code Enforcement Officer on January 31, 2018 indicates that the proposed building is an allowable use under the local code. A building permit from the Town of North Elba was issued for the new teaching-learning kitchen on March 6, 2018.

PROJECT IMPACTS

Visual

12. Very distant views of the project site are seen from the adjacent Wilderness area – particularly “Cascade” and “Pitchoff.” None or very minimal changes to the existing views of the site from the adjacent Wilderness area will be discernable to the naked eye. Further, conditioning the removal of vegetation on site, and requiring that the project is undertaken as shown on the project plans, limiting maximum building size and height to those shown on project plans, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the statutory Critical Environmental Area.

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Habitat/Wetlands

13. Provided the development authorized herein is undertaken in the location depicted on the Site Plan and in accordance with the conditions of this permit, the entire wetland will be preserved.
14. Requiring written authorization prior to any change in the authorized location of development will allow the Agency to ensure that the location and manner of construction will not adversely impact wetlands. A new or amended permit will be required for any future activity that involves wetlands pursuant to 9 NYCRR § 578.

Soils/Surface Waters/Groundwater

15. The existing wastewater treatment facility is designed to treat up to 17,200 gallons per day (gpd) of effluent. The new teaching-learning kitchen is expected to add a maximum of 840 gpd to the current daily flows, which currently average approximately 2,676 gpd for North Country School and average approximately 3,741 gpd for Camp Treetops. As such, when the project authorized herein is undertaken, the maximum daily flows will not exceed approximately 4,581 gpd, which is less than the 17,200 gpd the system is designed to treat. Requiring SPDSE permit compliance with NYSDEC, including monitoring and mitigation actions required in accordance with a NYSDEC Executed Order On Consent (No. R5-20170710-2253) will ensure protection of water quality resources.

Historic Sites or Structures

16. As confirmed by correspondence issued by NYS Office of Parks Recreation and Historic Preservation, the project will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR § 426.2 for the purposes of implementing § 14.09 of the New York State Historic Preservation Act of 1980.

Nearby Land Uses

17. The School/Camp hours of operation, number of campers, traffic, noise, and signage will not be changed as a result of the project authorized herein and thus there should be no increased impacts to nearby land uses.

Project & Permit
No. 2018-0018

CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval set forth in the Adirondack Park Agency Act, the Freshwater Wetlands Act and 9 NYCRR Part 578, and 9 NYCRR Part 574. The Agency hereby finds that the project authorized as conditioned herein:

- a. will be consistent with the land use and development plan;
- b. will be compatible with the character description and purposes, policies, and objectives of the Rural Use land use area;
- c. will be consistent with the overall intensity guidelines for the Rural Use land use area;
- d. will comply with the shoreline restrictions of § 806 of the Adirondack Park Agency Act; and
- e. will not have an undue adverse impact upon the natural, scenic, aesthetic, ecological, wildlife, historic, recreational or open space resources of the Park or upon the ability of the public to provide supporting facilities and services made necessary by the project.

PERMIT issued this 25th day
of July, 2018.

ADIRONDACK PARK AGENCY

BY: Terry Martino
Terry Martino, Executive Director

STATE OF NEW YORK
COUNTY OF ESSEX

On the 25th day of July in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared Terry Martino, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Stephanie L. Petith
Notary Public

TM:CCP:slp

R/p: North Country School Inc
4382 Cascade Rd
Lake Placid NY 12946

STEPHANIE L. PETITH
Notary Public - State of New York
Qualified in Franklin County
No. 01PE6279890
Commission Expires Apr. 15, 2021

Erosion and Sediment Control

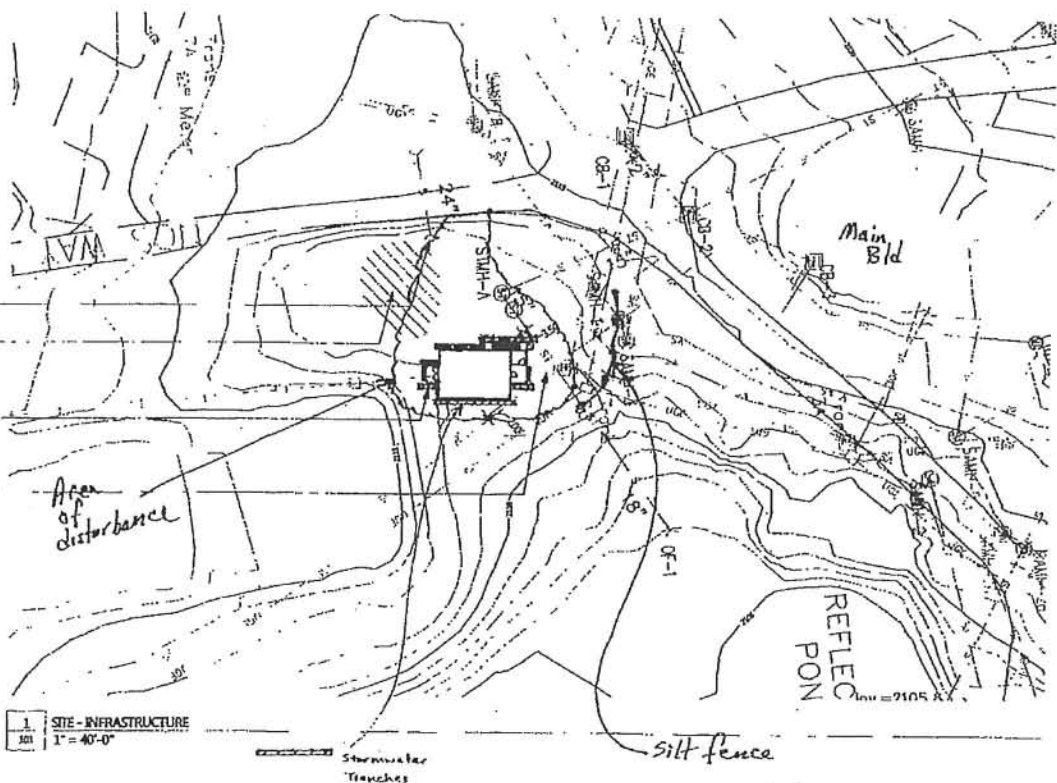
24" CULVERT
DUMPING HERE
PONDING AREA

DRAINAGE PINCHED
CLOSED (SURFACE)

POSSIBLE DRAINAGE
CHANNEL (SURFACE)

The TLK Bld. is sited at
minimal distances from the
15"/ 18" storm sewer (ST).
Dimensions indicated.

Area of disturbance



1 SITE - INFRASTRUCTURE
1" = 40'-0"

RECEIVED
ADIRONDACK PARK AGENCY
APR 03 2018

FINAL
ADIRONDACK PARK AGENCY
FILE # P2018-001B

No. 12

<: 108 PG: 71 08/31/2018 ADIRON PARK AGENCY Image: 1 of 13



ESSEX COUNTY – STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



Recording:

Cover Page	5.00
Recording Fee	80.00
Additional Names	0.50
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

BOOK/PAGE: 108 / 71
INSTRUMENT #: 2018-3545

Total: 105.50
**** NOTICE: THIS IS NOT A BILL ****

Receipt#: 2018202615
Clerk: BL
Rec Date: 08/31/2018 11:19:00 AM
Doc Grp: APA
Descrip: ADIRON PARK AGENCY
Num Pgs: 13
Rec'd Frm: J CULPEPPER

Party1: A P A
Party2: NORTH COUNTRY SCHOOL INC
Town: NORTH ELBA

I hereby certify that the within and foregoing
was recorded in the Essex County Clerk's
Office.


Joseph A. Provoncha
Essex County Clerk

Record and Return To:

JOHN CULPEPPER
NORTH COUNTRY SCHOOL
4382 CASCADE ROAD
LAKE PLACID NY 12946

Notice Information may change during the
verification process and may not be reflected on this
page

THIS IS A TWO-SIDED DOCUMENT

 <p>NEW YORK STATE OF OPPORTUNITY.</p> <p>Adirondack Park Agency</p> <p>P.O. Box 99, 1133 NYS Route 86 Ray Brook, New York 12977 Tel: (518) 891-4050 Fax: (518) 891-3938 www.apa.ny.gov</p>	<p>APA Project Permit 2017-0130</p>
	<p>Date Issued: August 27, 2018</p>
<p>In the Matter of the Application of</p> <p>NORTH COUNTRY SCHOOL, INC. CAMP TREETOPS</p> <p>for a permit pursuant to § 809 of the Adirondack Park Agency Act</p>	<p>To the County Clerk: This permit must be recorded on or before October 26, 2018. Please index this permit in the grantor index under the following names:</p> <ol style="list-style-type: none"> 1. North Country School, Inc. 2. Camp Treetops

SUMMARY AND AUTHORIZATION

This permit authorizes the expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition in an area classified Rural Use by the Official Adirondack Park Land Use and Development Plan Map in the Town of North Elba, Essex County.

This permit shall expire unless recorded in the Essex County Clerk's Office on or before October 26, 2018, in the names of all persons listed above and in the names of all owners of record of any portion of the project site on the recordation date.

The project shall not be undertaken or continued unless the project authorized herein is in existence within four years from the date the permit is recorded. The Agency will consider the project in existence when the expansion authorized herein is completed.

The project shall be undertaken in compliance with all conditions stated herein. Failure to comply with this permit is a violation and may subject the permittee, successors, and assigns to civil penalties and other legal proceedings.

This permit does not convey any right to trespass upon the lands or interfere with the riparian rights of others in order to undertake the authorized project, nor does it authorize the impairment of any easement, right, title or interest in real or personal property.

Nothing contained in this permit shall be construed to satisfy any legal obligations of the permittee to comply with all applicable laws and regulations or to obtain any governmental approval or permit from any entity other than the Agency, whether federal, State, regional or local.

RJR John Culpepper
→ North Country School
4382 Cascade Road
Lake Placid, NY 12946

Project & Permit
No. 2017-0130

PROJECT SITE

The project site includes a 200± acre parcel located on the north side of NYS Route 73 (Cascade Road) in the Town of North Elba, Essex County, in an area classified Rural Use on the Adirondack Park Land Use and Development Plan Map, identified on Town of North Elba Tax Map Section 52.04, Block 1 as Parcel 11. The project site is described in a deed from Leonard Bala, as Administrator of the Estate of Jan C. Travis, formerly known as Chester J. Jankowski, to North Country School, Inc. dated February 28, 2003, which was recorded March 13, 2003 in the Essex County Clerk's Office in Liber 1354 of Deeds at Page 74. The project site is improved by the campus of North Country School and Camp Treetops, a private school and summer children's camp, respectively.

PROJECT DESCRIPTION

The project as conditionally approved herein involves the expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition, which will include a "Performing Arts Center," comprised of a stage, classrooms, and scene shop. Associated infrastructure improvements include stormwater management, utility installations, new sidewalks and re-development of the interior campus driveways to facilitate use of existing parking areas. As proposed, the new Performing Arts Center will accommodate activities which currently occur in other areas on the campus, such as performances, graduation, lectures and other school/camp events. The Performing Arts Center is not proposed to be used by any outside entities unrelated to the school or camp programs. As such, it is not expected to result in any increased traffic or parking on campus, nor any increase in the number of students or campers.

The proposed project is shown on the following maps and plans (hereinafter "Project Plans"):

1. Eight (8) sheets of plans entitled "Walter P. Breeman Performing Arts Center," prepared by Maclay Architects, and dated February 28, 2017, including:
 - a. Sheet C1-0 "Existing Conditions/Demolition Plan," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - b. Sheet C1-1 "Site Layout, Grading, and Utility Plan," stamped "Permit Set Not For Construction Rev 8/24/17," received at the Agency August 28, 2017;
 - c. Sheet C1-2 "Erosion & Sediment Control Plan," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - d. Sheet C2-0 "Site Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - e. Sheet C2-1 "Stormwater & Planting Details," stamped "Permit Set Not For Construction Rev 8/24/17," received at the Agency August 28, 2017;
 - f. Sheet C2-2 "Sanitary Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017;
 - g. Sheet C2-3 "Water Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017; and
 - h. Sheet C2-4 "Erosion & Sediment Control Details," stamped "Permit Set Not For Construction 7/19/17," received at the Agency July 25, 2017.

Project & Permit
No. 2017-0130

2. Four (4) sheets of Structure Drawings including floor plan and elevations entitled "Walter P. Breeman Performing Arts Center," prepared by Maclay Architects, and dated May 5, 2017, received at the Agency July 25, 2017, including:
 - a. Sheet A1.1 "First Floor Plan";
 - b. Sheet A1.2 "Second Floor Plan";
 - c. Sheet A2.1 "Exterior Elevations"; and
 - d. Sheets A2.2 "East Elevations".
3. "A Map of Topographic Survey Showing A Portion Of Lands Of North Country School / Camp Treetops," prepared by AES Northeast, dated September 28, 2016, revised August 24, 2017 and received at the Agency August 28, 2017.
4. A Stormwater Pollution Prevention Plan and Calculations for "North Country School/Camp Treetops Walter P. Breeman Arts Center," Prepared by Engineering Ventures, PC, and dated July 19, 2017.

A reduced-scale copy of Sheet C1-1 "Site Layout, Grading, and Utility Plan," is attached as a part of this permit for easy reference. The original, full-scale maps and plans described in this paragraph are the official plans for the project, with copies available upon request from Adirondack Park Agency headquarters in Ray Brook, New York.

AGENCY JURISDICTION

The project requires an Agency permit pursuant to §§ 809(2)(a) and 810(2)(c)(6) & (18) of the Adirondack Park Agency Act [Executive Law, Article 27], as a greater than 25 percent expansion of a public use building on Rural Use area lands. The project also requires an Agency permit due to conditions in prior Agency permits.

CONDITIONS

THE PROJECT IS APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

1. The project shall not be undertaken until this permit has been recorded in the Essex County Clerk's Office.
2. This permit is binding on the permittee, all present and future owners or lessees of the project site, and all persons undertaking all or a portion of the project. Copies of this permit and the project plans shall be furnished by the permittee to all subsequent owners or lessees of the project site prior to sale or lease, and by the permittee and/or any subsequent owner or lessee to all persons undertaking any development activities authorized herein.
3. In addition to complying with all terms and conditions of this permit, all future activities on the project site shall be undertaken in compliance with the requirements of New York State's Adirondack Park Agency Act, Freshwater Wetlands Act, and the Adirondack Park Agency's implementing regulations [9 NYCRR §§ 570-588].

Project & Permit
No. 2017-0130

- 4. All deeds conveying all or a portion of the lands subject to this permit shall contain references to this permit as follows: "The lands conveyed are subject to Adirondack Park Agency Permit 2017-0130, issued August 27, 2018, the conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees."

Development

Construction Location and Size

- 5. This permit authorizes the expansion of the North Country School main building with the addition of a 10,000± sq. ft. two-story addition, and associated infrastructure improvements (including new sidewalks and re-development of the interior campus driveways) as depicted on the Project Plans. Any change to the location, dimensions, height, architectural design or other aspect of the new structure shall require prior written Agency authorization, or a new or amended Agency permit.
- 6. Pursuant to Section 809(2)(a) of the Adirondack Park Agency Act/9 NYCRR § 577.4, the undertaking of any new land use or development not authorized herein on the project site within one-eighth mile of the State Land Wilderness area, or within 150 feet of the edge of the right-of-way of NYS Route 73, will require a new or amended permit. The undertaking of any activity involving wetlands also requires a new or amended permit.

Building Color

- 7. All exterior building materials of the new expansion, including roof, siding and trim, shall be a dark shade of green, grey, or brown.

Outdoor Lighting

- 8. Any new free-standing or building-mounted outdoor lights associated with the new expansion shall employ full cut-off fixtures that are fully shielded to direct light downward and not into the sky or toward NYS Route 73 or adjoining property.

Wetlands

- 9. The undertaking of any activity involving wetlands shall require a new or amended permit.

Reports

- 10. At the request of the Agency, the permittee or the permittee's successor shall report in writing the status of the project, including details of compliance with any terms and conditions of this permit.

Project & Permit
No. 2017-0130

Infrastructure

Wastewater

11. All wastewater on the project site shall be connected to and served by the on-site wastewater treatment facility. The wastewater treatment facility shall operate and be monitored in accordance with all authorizations issued by New York State Department of Environmental Conservation, including Order On Consent (No. R5-20170710-2253).

Stormwater Management/Erosion Control

12. The project shall be undertaken in compliance with the Project Plans and the Stormwater Pollution Prevention Plan.

Vegetation / Statutory Critical Environmental Area

13. No trees, shrubs or other woody-stemmed vegetation shall be removed within 25 feet of the edge of the highway right-of-way or within 25 feet of the adjacent State Land Wilderness area, unless a new or amended permit is obtained. Outside of the 25 foot vegetative buffer, the selective removal of vegetation on the project site shall be undertaken in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry, and shall be undertaken such that vegetative screening of development on the site is maintained and the existing character of the highway corridor and wilderness critical environmental areas are maintained. In no case shall the removal of vegetation result in development on the project site becoming more visible from the State Land Wilderness area or NYS Route 73. This condition shall not be deemed to prevent the removal of dead or diseased vegetation or of rotten or damaged trees or of other vegetation that presents a safety or health hazard.

Any changes or updates to the Forest Management Plan shall be submitted to the Agency for review to ensure the changes do not result in adverse impacts to the critical environmental areas and to determine if the revised plan requires a new or amended Agency permit.

Energy Use and Conservation

14. The facilities authorized herein shall at minimum, comply with the current Energy Conservation Construction Code of New York State.

FINDINGS OF FACT

Background/Prior History

1. Tax designation 52.04-1-11 is improved by a private school (North Country School) and a private summer children's camp (Camp Treetops) in a rural setting, and contains many seasonal and year-round structures including, but not limited to, a large main building with living quarters, a dormitory, dining hall, cabins, bath houses, wood shop, science house, craft house, hike house, sugar house, garages, tent platforms, lean-tos, BBQ shelter, ceramic shop, barns, and maintenance buildings.

2. Prior Agency actions include:
 - a. Jurisdictional determination J2005-0569A determined that replacement of the pre-existing on-site wastewater treatment system on the project site did not require an Agency permit.
 - b. Agency enforcement case E2006-0053 resolved the construction of a post-1973 single-family dwelling on Lot 11 without an Agency permit. The settlement agreement established that all the existing structures subject of the enforcement case were deemed lawful and stated that no new land use or development shall be undertaken on the subject property without first obtaining a jurisdictional determination from the Agency and, if necessary, an Agency permit.
 - c. Agency Permit 2006-0278 authorized the construction of a new greenhouse and re-location of an existing greenhouse on the project site.
 - d. Agency Permit 2008-0038 authorized the construction of a new, two-story 7,800± square foot student dormitory within the existing campus area on the north side of NYS Route 73 and the construction of a new 2,520± square foot maintenance garage and two accessory open-sided, covered parking structures on the South side of NYS Route 73.
 - e. Agency Permit 2011-0178 authorized the expansion of the Dining Hall by approximately 56 percent.
 - f. Agency Permit 2018-0018 authorized the construction of a 1000± square foot public use building to be used as a "teaching-learning kitchen."

Project Site

Critical Environmental Areas

3. The project site is located in a Rural Use land use area on Adirondack Park Land Use and Development Plan Map. That portion of the property located within 150 feet of the edge of the right-of-way of NYS Route 73 is located in a statutory "Critical Environmental Area" (CEA). The project site is adjacent to the Sentinel Range State Land Wilderness Area. That portion of the property located within 1/8 mile of the adjoining New York State lands designated as "Wilderness" area is also located in a statutory CEA.

Water Resources/Wetlands

4. Round Lake is partially located in the northwest corner of the project site. There are "Scrub/Shrub" and "Emergent Marsh" wetlands with a preliminary value rating of "3" located on Lot 11. Wetlands shown on the plans and/or described herein are intended to alert the landowners, and others, that wetlands are present on the project site. However, this may not identify all wetlands on or adjacent to the project site.

Vegetation

5. Outside of the main campus area the site is forested with a mixture of coniferous and deciduous vegetation, managed in accordance with the "North Country School Forest Management Plan 2016-2031" prepared by Pekin Branch Forestry. Existing vegetation on the north side of Route 73 entirely screens the school and campus area on Lot 11 from the highway. Primarily, only the sign is visible.

Historic Sites or Structures

6. The project site contains structures which are more than 50 years old. As such, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) was consulted. By a letter dated June 26, 2017, OPRHP determined that the project will have No Impact upon the cultural resources in or eligible for inclusion in the State and National Registers of Historic Places.

Nearby Land Uses

7. Nearby land uses primarily include a mixture of residential and commercial uses and State lands.

Density

8. As explained in Agency Permit 2018-0018, a mathematical maximum potential density of 13 principal building rights may remain on the project site. However, this estimate is based on approximate acreages and not on a formal survey. A formal survey of the entire acreage and existing development would be required for an exact density calculation and could result in a different number of principal buildings. Also, the Agency makes no assurances that the maximum development mathematically allowed can be approved.

Public Notice and Comment

9. The Agency notified all adjoining landowners and other parties and published a Notice of Complete Permit Application in the Environmental Notice Bulletin, as required by the Adirondack Park Agency Act. No comments have been received.

Other Permitting

New York State Department of Environmental Conservation

10. The existing on-site wastewater treatment facility is subject to a State Pollution Discharge Elimination System (SPDES) permit from the New York State Department of Environmental Conservation (NYSDEC). Required improvements to the wastewater treatment facility, including compliance monitoring and mitigation actions, will be undertaken in accordance with a NYSDEC Executed Order On Consent (Case No. R5-20170710-2253).
11. The Town of North Elba issued a building permit for the project on August 15, 2018 (Permit No. 2018-0279).

PROJECT IMPACTS

Visual

12. Very distant views of the project site are seen from the adjacent Wilderness area – particularly “Cascade” and “Pitchoff.” Very minimal changes to the existing views of the site from the adjacent Wilderness area will potentially be discernable to the naked eye. Conditioning the removal of vegetation on site, and requiring

Project & Permit
No. 2017-0130

that the project is undertaken as shown on the project plans, limiting maximum building size and height to those shown on project plans, and regulating exterior colors and lighting will all help to minimize potential impacts to adjacent lands, public uses and the statutory Critical Environmental Area.

Habitat/Wetlands

13. Provided the development authorized herein is undertaken in the location depicted on the Site Plan and in accordance with the conditions of this permit, the entire wetland will be preserved.
14. Requiring written authorization prior to any change in the authorized location of development will allow the Agency to ensure that the location and manner of construction will not adversely impact wetlands. A new or amended permit will be required for any future activity that involves wetlands pursuant to 9 NYCRR § 578.

Soils/Surface Waters/Groundwater

15. The existing wastewater treatment facility on the project site is designed to treat up to 17,200 gallons per day (gpd) of effluent. The new teaching-learning kitchen authorized by Agency Permit 2018-0018 is expected to add a maximum of 840 gpd to the current daily flows, which currently average approximately 2,676 gpd for North Country School and average approximately 3,741 gpd for Camp Treetops. When the new teaching/learning kitchen is operational, the maximum daily flows will not exceed 4,581± gpd. Engineering data provided by AES Northeast indicates that the project authorized herein could result in a maximum increase of 3155 gpd to the current daily flows. When the new teaching/learning kitchen and project authorized herein are undertaken, the maximum daily flows on site will not exceed 7,736 gpd, which is less than the 17,200 gpd the system is designed to treat.

Requiring SPDSE permit compliance with NYSDEC, including monitoring and mitigation actions required in accordance with a NYSDEC Executed Order On Consent (No. R5-20170710-2253) will ensure protection of water quality resources.

Historic Sites or Structures

16. As confirmed by correspondence issued by NYS Office of Parks Recreation and Historic Preservation, the project will not cause any change in the quality of "registered," "eligible," or "inventoried" property as those terms are defined in 9 NYCRR § 426.2 for the purposes of implementing § 14.09 of the New York State Historic Preservation Act of 1980.

Nearby Land Uses

17. The School/Camp hours of operation, number of campers, traffic, noise, and signage will not be changed as a result of the project authorized herein and thus there should be no increased impacts to nearby land uses.


CONCLUSIONS OF LAW

The Agency has considered all statutory and regulatory criteria for project approval set forth in the Adirondack Park Agency Act, the Freshwater Wetlands Act and 9 NYCRR Part 578, and 9 NYCRR Part 574. The Agency hereby finds that the project authorized as conditioned herein:

- a. will be consistent with the land use and development plan;
- b. will be compatible with the character description and purposes, policies, and objectives of the Rural Use land use area;
- c. will be consistent with the overall intensity guidelines for the Rural Use land use area;
- d. will comply with the shoreline restrictions of § 806 of the Adirondack Park Agency Act; and
- e. will not have an undue adverse impact upon the natural, scenic, aesthetic, ecological, wildlife, historic, recreational or open space resources of the Park or upon the ability of the public to provide supporting facilities and services made necessary by the project.

PERMIT issued this 27th day
of August, 2018.

ADIRONDACK PARK AGENCY

BY: 
Richard E. Weber III
Deputy Director Regulatory Programs

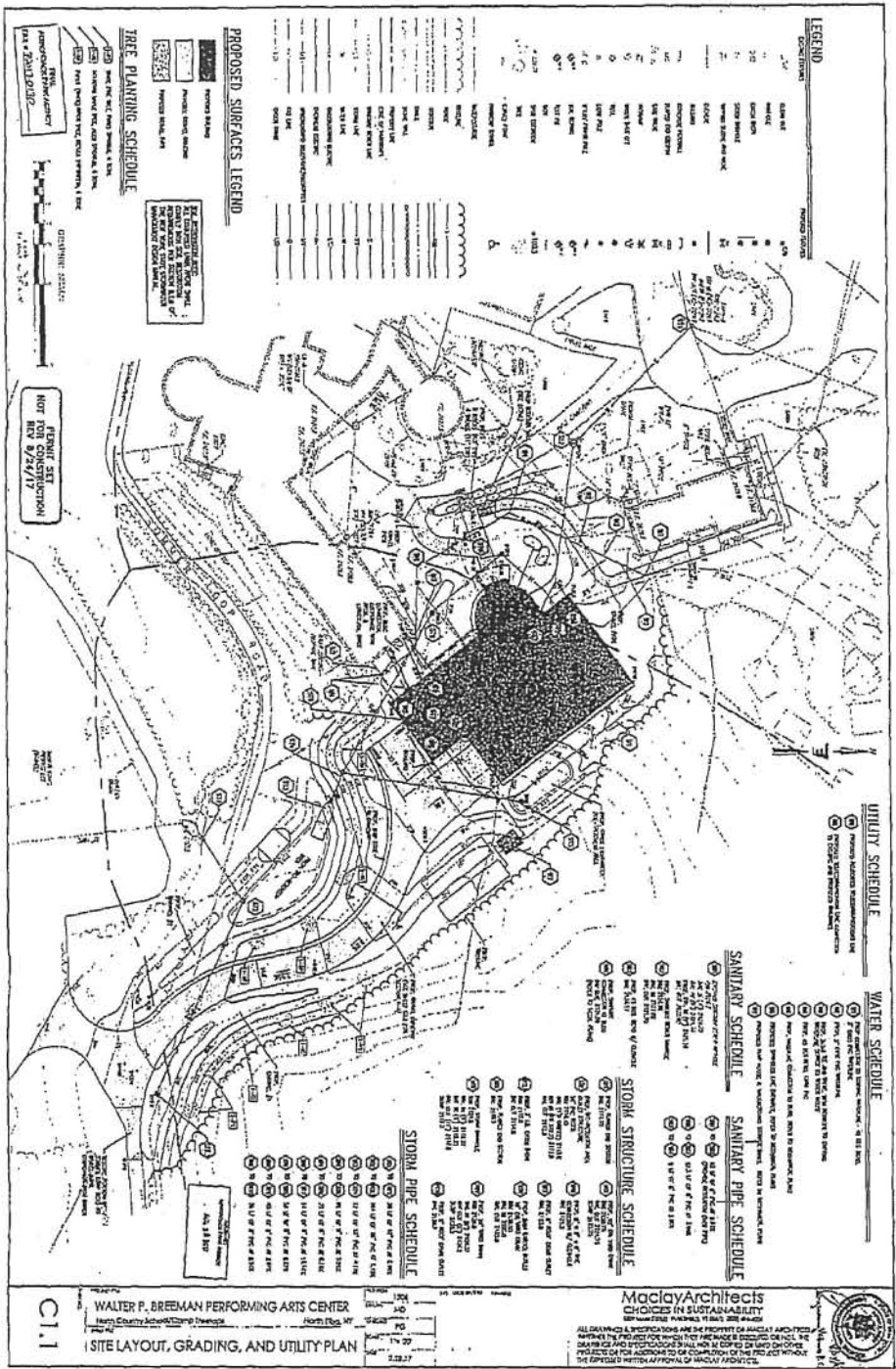
STATE OF NEW YORK
COUNTY OF ESSEX

On the 27th day of August in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard E. Weber III, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

REW:CCP:slp

STEPHANIE L. PETITH
Notary Public - State of New York
Qualified in Franklin County
No. 01PE6279890
Commission Expires Apr. 15, 2021



LEGEND

PROPOSED SURFACES

- Asphalt
- Concrete
- Grass
- Gravel
- Impervious
- Permeable
- Soil
- Water

TREE PLANTING SCHEDULE

- Planting
- Removal

PROPOSED SURFACES LEGEND

- Asphalt
- Concrete
- Grass
- Gravel
- Impervious
- Permeable
- Soil
- Water

UTILITY SCHEDULE

- Water
- Sanitary
- Storm

WATER SCHEDULE

- Water
- Sanitary
- Storm

SANITARY SCHEDULE

- Sanitary
- Storm

SANITARY PIPE SCHEDULE

- Sanitary
- Storm

STORM STRUCTURE SCHEDULE

- Storm

STORM PIPE SCHEDULE

- Storm

C11

WALTER P. BREDMAN PERFORMING ARTS CENTER
 North Edge, NY
 SITE LAYOUT, GRADING, AND UTILITY PLAN

MaclayArchitects
 CHOICES IN SUSTAINABILITY
 ALL DRAWINGS & SPECIFICATIONS ARE THE PROPERTY OF MACLAY ARCHITECTS
 AND SHALL REMAIN THE PROPERTY OF MACLAY ARCHITECTS. NO PART OF THIS
 DRAWING AND SPECIFICATIONS SHALL BE REPRODUCED OR TRANSMITTED IN ANY
 FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING,
 RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT
 THE EXPRESS WRITTEN APPROVAL OF MACLAY ARCHITECTS.



**Adirondack
Park Agency**

**MAJOR PROJECT PUBLIC NOTICE
APPLICATION DETERMINED
APA PROJECT NO. 2017-0130**

Date: August 27, 2018

The purpose of this notice is to inform you that on **August 27, 2018**, the Agency conditionally approved the project and issued Permit **2017-0130**.

The project is located in the Town of **North Elba, Essex County**, on or near **NYS Route 73**. The tax map number of the project site is: Section **52.4**, Block **1**, Parcel(s) **11**. The project is briefly described as follows: **Expansion of the existing North Country School main building with the addition of a 10,000± sq. ft. two-story addition, which will include a performing arts center, stage, classrooms, and scene shop. Associated infrastructure improvements include stormwater management, utility installations, new sidewalks and re-development of the interior campus driveway to facilitate use of existing parking areas.**

Please contact **Colleen C. Parker**, the Environmental Program Specialist 3 (EPS3), if you should have any questions.

8/27/18

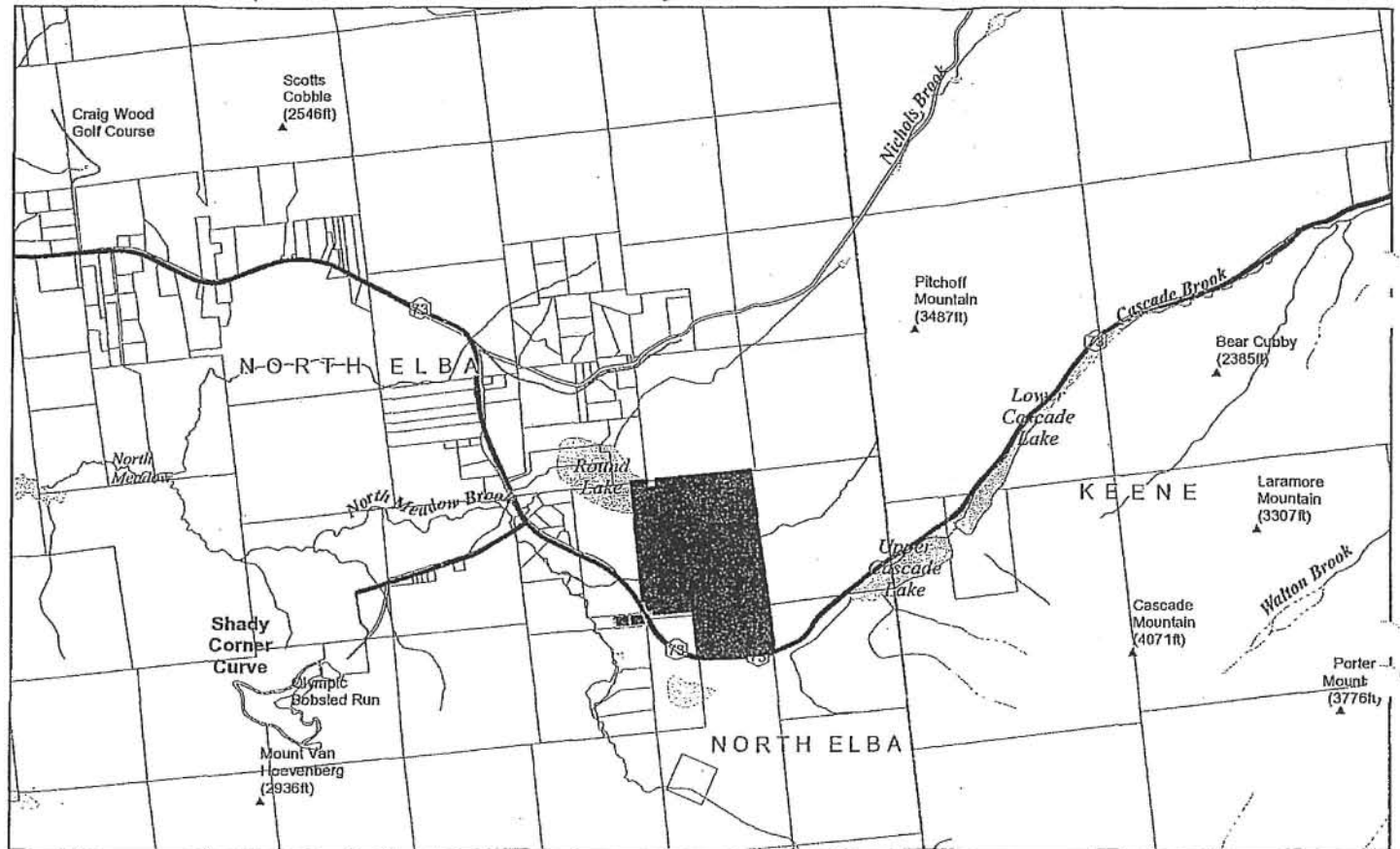
Date

Richard E. Weber III
Deputy Director (Regulatory Programs)


REW:CCP:slp

cc: John Culpepper, North Country School/Camp Treetops
Peter Gibbs, PE
Adjoining Landowners
Town, County & LGRB Officials

APA Project 2017-130



July 28, 2017 This is advisory only, not to be used to confirm exact boundary location or for determining Agency jurisdiction.

- Parcels 2015
-  Park Boundary Blueline

NYS Adirondack Park Agency

STATE OF NEW YORK)
) ss:
COUNTY OF ESSEX)

LIBERTY ABSTRACT COMPANY OF PLATTSBURGH, INC., a Corporation organized under the laws of the State of New York, doing business as **LIBERTY ABSTRACT COMPANY**, does hereby certify that upon examination of instruments in the Office of the Clerk of Essex County, for Deeds, Mortgages, Assignments, Satisfactions, Loan Office Mortgages, Sheriff's Certificate of Sale, Leases and Agreements, Lis Pendens, Consolidated Liens, Welfare Liens, A.P.A. Permits (1973 to date), Miscellaneous Records, Personal Surety Bonds since 1942, and Mechanics Liens during last year. (Petitions and Wills in the Office of the Surrogate of Essex County), by means of the General Alphabetical Indices thereto, the foregoing instruments numbered from **1 to 12**, inclusive, were the only instruments found affecting or appearing to affect the title to the premises described in **DEED NOS. 2, 3, & 5.**

And further that upon such examination as aforesaid the following are the names of persons searched against for the periods set opposite their respective names, viz:

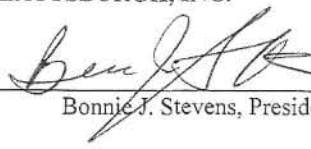
NAME	FROM	TO
Chester J. Jankowski } a/k/a Jan C. Travis (Est. of) }	October 29, 1948	March 1, 2003
Leonard Bala, Adm.	January 3, 2001	March 1, 2003
North Country School	October 30, 1957	January 20, 2019
"Camp Treetops"	October 30, 1957	January 20, 2019

And upon examination of the Dockets of Judgments (10 years), Federal Judgments (20 years), and Federal Tax Liens (10 years) kept in the Office of the Essex County Clerk there are no Judgments, Transcript of Judgment, Federal Judgments nor Federal Tax Liens against the following named person for the periods set opposite their respective names, viz.: NONE.

NAME	FROM	TO
North Country School	December 20, 2008	January 20, 2019
"Camp Treetops"	December 20, 2008	January 20, 2019

WITNESS the corporate seal and signature
of said Corporation this 20th day of January
2019, at 5:00 PM

**LIBERTY ABSTRACT COMPANY
OF PLATTSBURGH, INC.**

BY: 
Bonnie J. Stevens, President





Adirondack Park Agency

SHERMAN CRAIG
Chairman

TERRY MARTINO
Executive Director

October 19, 2017

John Culpepper
North Country School
4382 Cascade Road
Lake Placid, NY 12946

RE: Jurisdictional Determination J2017-0631

Dear Mr. Culpepper:

The proposed expansion of the single family dwelling described in the materials received on October 5, 2017 does not require a permit from this Agency, provided the facts submitted are accurate and complete, and provided there is compliance with the restrictions below.

Description

It is our understanding that the project consists of the following:

1. The property is a 2 ±-acre parcel located in the Town of North Elba, Essex County, on Sheepback Farm Way, tax map designation 52.004-1-21.
2. The property is owned by North Country School, as described in a deed recorded on July 18, 2005 in Liber 1452 of Deeds, page 184, in the Essex County Clerk's Office.
3. According to the information you submitted, the property was part of a larger parcel as of the May 22, 1973 enactment date of the Adirondack Park Land Use and Development Plan in that the owner on that date owned adjoining tax parcel 52.4-1-22. Agency Permit 91-157 authorized the subdivision that created the two lots.
4. The property is improved by a single family dwelling constructed circa 1994 and a garage for which no construction dates were provided.
5. You propose to expand the single family dwelling with a 1,000 square foot addition, as shown on the site plan received October 5, 2017. For purposes of Agency review, the site plan has been stamped "Final".

No additional subdivision or new land use and development is proposed at this time.

If any of the above is incorrect, please contact the Agency as a different determination could result.

FOR YOUR INFORMATION:

This determination is based upon the existing laws, regulations and Park Plan Map administered by the Agency. If they change before substantial commencement of the proposed project, this determination may also change.

The property is located in a Rural Use land use area on the Adirondack Park Land Use and Development Plan Map.

Agency staff has determined that there are no wetlands subject to Agency jurisdiction on the property, based on interpretation of wetland maps available for Essex County. However, field inspection by Agency staff is the only way to confirm the presence, location and size of wetlands. If you have reason to believe that any wetlands would be affected by the proposal, you are encouraged to contact the Agency to arrange a site visit prior to undertaking the project.

The property is not located in a statutory critical environmental area.

The property is not located in a designated river area pursuant to the New York State Wild, Scenic and Recreational Rivers System Act.

Restrictions

Although the proposed project described above does not require an Agency permit, the following restrictions are imposed by law.

1. Projects must be undertaken in accord with Agency regulations implementing the State Freshwater Wetlands Act. Enclosed is a flyer describing some of the activities which require a wetlands permit.
2. A new on-site wastewater treatment system may not be located within 100 feet of any water body, including intermittent or seasonal streams, without an Agency variance. The sewage disposal system setback is measured horizontally along the shortest line between the closest point of the seepage pit, drainage field or other leaching facility and the mean high water mark.

An Agency permit is required for the installation of any leaching component of a wastewater treatment system within 100 feet of wetlands.

The New York State Department of Health has additional wastewater treatment system standards which must also be met.

3. No structure other than residential radio and television antennas and agricultural use structures may exceed 40 feet in height without an Agency permit. For Agency purposes, height is measured from the highest point of the structure to the lowest point of finished or natural grade, whichever is lower.

The proposal may require approvals from other government entities. We recommend that you check with Town authorities to obtain all necessary approvals prior to beginning your project.

If you have any questions, please do not hesitate to contact the Agency.

Sincerely,



Tracy J. Darrah
Project Administrator

TJD:DWM:mp
Enclosure: Wetlands flyer

cc: Town of North Elba (via email)
Colleen C. Parker, APA



FRESHWATER WETLANDS

This is a supplement to the Citizen's Guide, which provides basic information about Adirondack Park Agency regulations.

Regulated Wetlands

Defined in §802 of the Adirondack Park Agency Act, wetlands are "any land which is annually subject to periodic or continual inundation by water and commonly referred to as a bog, swamp or marsh which are either (a) one acre or more in size or (b) located adjacent to a body of water, including a permanent stream, with which there is free interchange of water at the surface, in which case there is no size limitation¹." Section 578.3 of the Agency's regulations provides additional wetland information, and the criteria for identifying wetland areas are provided in the New York State Wetland Delineation Manual (<http://apa.state.ny.us/Documents/Guidelines/WetlandDelineationNYS.pdf>).

Wetland Permitting

Under the Adirondack Park Agency Act and the Freshwater Wetlands Act, an Agency permit must be obtained for the following activities involving wetlands in the Adirondack Park:

1. Draining, dredging, or excavating² a wetland;
2. Placing fill, including soil, stone, sand, gravel, mud, trash, structures, pilings, roads, or any other obstruction or substance³, into a wetland;
3. Clearcutting⁴ more than three acres;
4. Releasing any form of pollution into a wetland, including pesticides and sewage effluent or other liquid waste;

¹ Areas that are less than one acre in size and meet the New York State Wetland Delineation Manual criteria are considered wetlands for Agency purposes if: 1) the adjacent waterbody is at least 6.6 feet deep; 2) the adjacent waterbody is at least one acre in surface area; 3) the adjacent waterbody and the wetland together are at least one acre in surface area; or 4) the adjacent waterbody has a permanent surface water inlet or outlet.

² With certain exceptions; see section 578.3(n)(4) of Agency regulations and the Agency's flyer titled "Hand Harvesting of Aquatic Plants" for additional information.

³ With certain exceptions; see section 578.3(n)(4) of Agency regulations for additional information.

⁴ For Agency purposes, a clearcut is generally defined as any cutting of trees over six inches in diameter at breast height over any 10-year cutting cycle, where the average residual basal area remaining is less than 30 square feet per acre within the area harvested. See sections 570.3(f) and 573.7 of Agency regulations for additional information.

5. Installing any sewage drainage field or seepage pit or any sewer outfall in or within 100 feet of a wetland;
6. Undertaking any other activity within or outside of a wetland that substantially impairs the functions served by or the benefits derived from the wetland, including the diversion of surface or subsurface drainage or natural water flow that adversely affects the natural hydrological regime of or substantially increases erosion of or siltation or sedimentation into the wetland; or
7. Creating by subdivision any lot that contains wetlands and any lot adjoining a lot that contains wetlands, as well as all land use and development related to these subdivision lots, *unless* the Agency issues a letter finding that:
 - All lot boundaries will be located at least 200 feet from all wetlands;
 - All new roads providing access to more than one lot will be located at least 50 feet from all wetlands;
 - All non-wetland areas of the wetland subdivision lots will be accessible by road without crossing or causing adverse impacts to wetlands⁵; and
 - Any lot containing a lawfully existing principal building will also contain its associated water supply, wastewater treatment system, and an adequate replacement site for the on-site wastewater treatment system that is located at least 100 feet from all wetlands⁶.

Additional Information

For specific locations, the Agency will determine whether wetlands are present and will delineate wetlands upon the request of any person having a legal interest in the property. These determinations involve examination of maps at Agency headquarters, interpretation of aerial photographs, and/or field visits by Agency wetland biologists. Please contact the Agency for additional information.

Certain activities involving wetlands may be authorized by expedited process under a General Permit.

This flyer is intended to provide general information regarding Agency jurisdiction. Other provisions or restrictions may apply if an Agency permit or variance is required or if the property has previously been subject to Agency review.

Please contact the Agency with any questions at 518-891-4050. For a binding written response as to whether a specific proposal requires Agency review, please submit a Jurisdictional Inquiry Form (JIF). The JIF form is available on the Agency website at www.apa.ny.gov/Forms/jiform.pdf.

⁵ This requirement is generally applied to mean that access roads could be constructed at least 50 feet from wetlands to reach all non-wetland areas of the subdivision lots.

⁶ This requirement is generally applied to mean that the lot contains a potential replacement wastewater treatment system site that: 1) is at least 1,500 square feet in size; 2) is no more than 60 feet in length; 3) has slopes of 15% or less; and 4) and is located greater than 100 feet from all waterbodies.

WETLAND IDENTIFICATION AND IMPORTANCE

Deep Water Marsh

Areas of open water filled with plants that float freely or are rooted are called deep water marshes. The leaves of the rooted plants are either submerged or floating. Such plants as pondweeds, duckweeds, and wild celery are important food for waterfowl. The shallow waters of a deep water marsh and the protecting vegetation make them important areas for fish spawning and nurseries.

Deciduous Swamp

These are wetlands where the covertype contains mostly live deciduous trees, twenty feet or more in height. The trees grow on hummocks or in seasonally or permanently flooded areas. Swamp maples and willows are evident in lowland deciduous swamps. These swamps are spotted with dead trees which are used by flying squirrels and chickadees. The swamps provide a habitat for nesting waterfowl and a great variety of birds and wildlife. Their soils are usually very fertile, promoting rapid plant growth and a wide diversity of plants and animals. Because these swamps filter great quantities of water, they play a very important role in purifying water and maintaining high water quality.

Wet Meadows

Wet meadows are wetlands where most of the cover is composed of sedges, rushes, and coarse grasses, most of which tend to grow in clumps. Groundwater is at or near the surface for much of the year, including significant parts of the growing season, creating saturated soils. These meadows are often found in the flood plains of lakes and rivers and in the areas once flooded by beaver dams or other impoundments. Their soils are mostly mineral in structure.

Bog

A bog is a closed wetland from which drainage is either extremely slow or absent and where the vegetation grows on a saturated mat of peat. The mat sometimes covers all of the surface of a shallow pond, sometimes it covers only a portion leaving open water. The peat is formed by species of sphagnum moss which die, but do not decay because of the acidity and low oxygen levels of the bog. All processes in a bog including nutrient recycling are slowed down by the stagnant acid water. This is why bogs are so sensitive. It takes centuries to recover from disturbance.

Emergent Marsh

Emergent marshes are shallow wetlands that are flooded with standing or running water much of the year. Their cover consists of such plants as cattails, bulrushes, pickerel weed, loosestrifes, and arrowheads. Emergent marshes have the most valuable covertype and one of the highest levels of productivity and habitat diversity. Not only does the vegetation in these wetlands provide nesting habitat, food, and cover for many waterfowl and other wildlife, but it adds large quantities of nutrients to food chains. These marshes are attractive to muskrat, ducks and geese, herons, and egrets, mink and deer.

Shrub Swamp

A shrub swamp is a wetland where woody shrubs, less than twenty feet in height, make up most of the covertype. Shrub swamps are often found in floodplains, in frost pockets and other depressions, on the edges of ponds, lakes and bogs, along meandering streams, and in hillside drainages. These areas have two things in common: fresh water flowing through them and a high level of productivity. Alders, hollies and viburnums typify these swamps and have berries which are eaten by a wide variety of birds. The shrubs are the nesting habitat of such diverse species as the rose-breasted grosbeak and kingbirds, and game birds, including woodcock, pheasant and grouse. It is also the habitat of beaver and otter, and waters adjacent to shrub swamps are essential to spawning northern pike.

Coniferous Swamp

A coniferous swamp is a wetland where most of the plant cover consists of live coniferous trees over twenty feet in height. The trees often grow on hummocks in deep organic deposits with pockets of water or sphagnum moss between them. Coniferous swamps are most important because they give off large quantities of water over much of the year. In summer, this process helps keep surrounding soil temperatures low. This, combined with the cooling effects of the swamps' dense shade, helps maintain low water temperatures critical to the survival of cold water fish in streams running through these swamps. The shelter offered by coniferous swamps creates clear wintering fields so important to the survival of deer and other animals and birds.

mortgage recording taxes imposed by Article 11 of the Tax Law of the State of New York since it is mortgagee of the Loan Documents herein being presented for recording.

7. This affidavit is submitted by ECCRC in connection with the recordation of the Loan Documents, as tendered by ECCRC to the County Clerk of the County of Essex, State of New York, for recording in the real property records in Essex County, New York.

WHEREFORE it is respectfully requested that the Loan Documents be recorded without demand for payment or payment of the mortgage recording tax or any other transfer or recording taxes for the filing or recording of the documents on the ground that each such document is exempt from the mortgage recording tax imposed pursuant to the provisions of Section 253 and 253-a of the Tax Law of State of New York.

ESSEX COUNTY CAPITAL RESOURCE
CORPORATION

By: *Dan R. Danah*
Chairman

Sworn to before me this

March 26, 2019

Jody C. Olcott
Notary Public

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 010L6049649
MY COMM. EXPIRES OCTOBER 23, 2022

WHEREFORE it is respectfully requested that the Mortgage Documents be recorded without demand for payment or payment of the mortgage recording tax or any other transfer or recording taxes for the filing or recording of the documents on the ground that each such document is exempt from the mortgage recording tax imposed pursuant to the provisions of Section 253 and 253-a of the Tax Law of State of New York.

ESSEX COUNTY CAPITAL RESOURCE CORPORATION

By *Paul R. Danch*
Chairman

Sworn to before me this

March 26, 2019

Jody C. OLCOTT
Notary Public

JODY C OLCOTT
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ESSEX COUNTY
NO - 010L6049349
TERM EXPIRES OCTOBER 23, 2022

Transcript Document No. 30

Notice of Lending

NOTICE OF LENDING

(Pursuant to Section 73 of the Lien Law)

(a) Person making advances (Name and Address):

Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109



03/28/2019 03:17:00 PM
2 Pages
LIEN

(b) Person to whom or on whose behalf advances are made (Name and Address):

North Country School
4382 Cascade Road
Lake Placid, New York 12946

Specify whether person to whom or on whose behalf advances are made is:

XX owner _____ contractor _____ subcontractor

(c) Description of the improvement of real property or public improvement for which advances are made:

(i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), and (iii) the refinancing of outstanding indebtedness of North Country School used to finance a portion of the costs of the foregoing.

Address(es) of property affected (if address number of premises is not available, give description sufficient to identify premises):

4382 Cascade Road and
14 and 37 Wrights Way
Lake Placid, New York

(d) Date of any advance made on or before the date of filing for which this Notice of Lending is intended to be effective: None.

(e) Maximum amount of advances made to be made pursuant to this Notice of Lending:
\$7,100,000.

Dated: March 29, 2019

RR:
GREENBERG TRAURIG LLP
ATTN: BEN MCGUIRE ESQ
ONE INTERNATIONAL PLACE ST 2000
BOSTON MA 02110



Filed by:
BOSTON PRIVATE BANK & TRUST COMPANY

By: Thatcher Freeborn
Authorized Officer

Address: 10 Post Office Square
Boston, Massachusetts 02109

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the 26 day of March -in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Hannah Monique Glover
Notary Public

ACTIVE 41482186v1



Transcript Document No. 31

Assignment of Construction Contracts

ASSIGNMENT OF CONSTRUCTION CONTRACTS

This ASSIGNMENT OF CONSTRUCTION CONTRACTS ("Assignment"), dated as of March 29, 2019, is made by **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation ("Assignor") in favor of **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered Bank (with its successors and assigns, "Assignee").

RECITALS

- A. On or about the date hereof Assignor, the Essex County Capital Resource Corporation (the "Issuer") and Assignee entered into that certain Bond Purchase and Loan Agreement, dated as of March 1, 2019 (the "Loan Agreement"), pursuant to which Issuer is issuing its North Country School Revenue Bonds, Series 2019A and Series 2019B (the "Bonds"), the proceeds of which are being loaned to Assignor to finance and refinance the development and construction of a certain project described in the Loan Agreement (the "Project").
- B. The Issuer will issue the Bonds and sell the Bonds to the Assignee, pursuant to the Loan Agreement.
- C. A portion of the proceeds of the Bonds will be paid to the Assignee for deposit to the Construction Fund created under the Loan Agreement, and disbursed to Assignor from time to time to pay the costs of the Project, but only upon satisfaction of the requirements for making such disbursements set forth in the Loan Agreement and the Continuing Covenants Agreement, dated as of March 29, 2019 (the "Covenants Agreement"), by and between Assignor and Assignee. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Covenants Agreement.
- D. Repayment of the Bonds is secured by the Loan Agreement and the other Financing Documents.

The execution and delivery of this Assignment is a condition precedent to the issuance of the Bonds and the loan of the proceeds thereof to Assignor.

AGREEMENTS

NOW, THEREFORE, in consideration of the recitals set forth above and incorporated herein, and for other good and valuable consideration, Assignor agrees as follows:

- 1. Assignor hereby grants, transfers and assigns to Assignee all the right, title and interest of Assignor now or hereafter acquired in and to the following:
 - a. the general contract between Assignor and Neagley & Chase Construction Company (the "General Contractor") together with any and all extensions, modifications, amendments, replacements and renewals thereof (the "General Contract");

b. the agreement for engineering and architectural design services between the Assignor and Maclay Architects (the "Architect") together with any and all extensions, modifications, amendments, replacements and renewals thereof, and the plans and specifications developed pursuant thereto (the "Plans and Specifications");

c. all other contracts and subcontracts, together with any and all extensions, modifications, amendments and renewals thereof, which are entered into by Assignor or the General Contractor for the performance of the work or the supply of the materials required for the Project;

d. all other architectural, engineering and other design contracts for the Project;

e. all plans, specifications and other design and construction documents for the Project, including, but not limited to, the Plans and Specifications;

f. all guarantees, warranties and other undertakings covering the quality or performance of the work or the quality of the materials required by the General Contracts, contracts and subcontracts for the Project; and

g. to the extent assignable, all building permits, governmental permits, licenses, and authorizations now or hereafter issued for the Project.

The items referred to in subsections (a) through (g) above are sometimes hereinafter collectively referred to as the "Construction Contracts."

This Assignment is given for the purpose of securing the payment of all sums now or at any time due Assignee under the Bonds or any other Financing Documents, and any extensions, modifications, amendments and renewals thereof, and the performance and discharge of the obligations, covenants, conditions, and agreements of Assignor contained herein and in the Financing Documents.

2. Assignor agrees:

a. To faithfully abide by, perform and discharge each and every obligation, covenant, condition and agreement of the Construction Contracts to be performed by Assignor and to enforce performance by the other party thereto of each and every obligation, covenant, condition and agreement to be performed by such other party.

b. That the occurrence of any of the following shall constitute an Event of Default hereunder:

(1) Failure of Assignor for a period of thirty (30) days after written notice from Assignee, to observe or perform any covenant or condition contained in this Assignment; provided that if any such failure is susceptible of cure and cannot reasonably be cured within said thirty (30) day period, then Assignor shall have an additional thirty (30) day period to cure such failure and no Event of Default shall be deemed to exist hereunder so long as Assignor commences such cure within the initial thirty (30) day

period and diligently and in good faith pursues such cure to completion within such resulting sixty (60) day period from the date of Assignee's notice;

(2) Any representation or warranty made by Assignor herein which is not true and correct in any material respect as of the date hereof; and

(3) An Event of Default by Assignor under the Loan Agreement, the Bonds or any of the other Financing Documents, that has not been waived.

c. Upon the occurrence of any Event of Default hereunder that has not been waived, Assignee shall have all rights granted to Assignee under the Financing Documents, and Assignee shall have the right (but not the obligation) to correct any default in such manner and to such extent as Assignee may deem necessary to protect the security hereof, including specifically, without limitation, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee, and also the right to perform and discharge each and every obligation, covenant, condition and agreement of Assignor under the Construction Contracts, and, in exercising any such powers, to pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees and expenses. Assignee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any of the Construction Contracts, or by reason of this Assignment.

d. At any time after the occurrence of an Event of Default that has not been waived, Assignee may, at its option, without notice, and without regard to the adequacy of security for the indebtedness hereby secured, either in person or by agent, with or without bringing any action or proceeding, or by a receiver to be appointed by a court at any time hereafter, enforce for its own benefit the Construction Contracts, or any of them. The exercise of any rights under this Assignment shall not be deemed to cure or waive any default under any of the Financing Documents, or waive, modify or affect any notice of default under any of the Financing Documents, or invalidate any act done pursuant to such notice.

e. That the General Contractor, the Architect and any other parties to the Construction Contracts, upon written notice from Assignee of the occurrence of an Event of Default, shall be and are hereby authorized by Assignor to perform for the benefit of Assignee in accordance with the terms and conditions thereof without any obligation to determine whether or not such an Event of Default has in fact occurred.

f. That in the exercise of the powers herein granted to Assignee, no liability shall be asserted or enforced against Assignee, all such liability being hereby expressly waived and released by Assignor, except to the extent attributable to the gross negligence or willful misconduct of the Assignee. Assignor hereby agrees to indemnify and hold Assignee, and its officers, directors, employees and agents, free and harmless from and against any and all liability, expense, cost, loss or damage which Assignee may incur by reason of any act or omission of Assignor under any of the Construction Contracts, except to the extent attributable to the gross negligence or willful misconduct of the indemnified party. Should Assignee incur any liability, expense, cost, loss or damage (i) under the Construction Contracts for which it is to be indemnified by Assignor as aforesaid, or (ii) by reason of the exercise of Assignee's rights

hereunder (including, but not limited to, the exercise of the rights granted to Assignee under Section 2(c) hereof), the amount thereof, including costs, expenses and reasonable attorneys' fees and expenses, shall be secured hereby and by the Mortgage and all other Financing Documents (whether or not such amount, when aggregated with other sums secured by the Mortgage, exceeds the aggregate face amount of the Bonds) and shall (x) be due and payable immediately upon demand by Assignee and (y) bear interest at the highest rate payable under the Loan Agreement.

g. That this Assignment shall be assignable by Assignee to any assignee of Assignee and all representations, warranties, covenants, powers and rights herein contained shall be binding upon, and shall inure to the benefit of, Assignor and Assignee and their respective successors and assigns.

3. Assignor further hereby represents, as of the date hereof, to and covenants with Assignee that (a) Assignor has not previously assigned, sold, pledged, transferred, mortgaged, hypothecated or otherwise encumbered the Construction Contracts or any of them, or its right, title and interest therein, (b) Assignor shall not assign, sell, pledge, transfer, mortgage, hypothecate or otherwise encumber its interests in the Construction Contracts or any of them, (c) Assignor has not performed any act which might prevent Assignor from performing its undertakings hereunder or which might prevent Assignee from operating under or enforcing any of the terms and conditions hereof or which would limit Assignee in such operation or enforcement, (d) Assignor is not in default under the Construction Contracts, or any of them, and to the actual knowledge of Assignor, no other party to the respective Construction Contracts is in default thereunder except as disclosed in writing to Assignee, (e) except as provided in the Financing Documents, no amendments to any of the Construction Contracts will be made without the prior written consent of Assignee, and (f) upon execution of any of the Construction Contracts, Assignor will deliver a copy of such Construction Contracts (or the original at Assignee's request) to Assignee and will require such of the parties thereto as Assignee may designate to execute and deliver to Assignee a consent to this Assignment, such consent to be identical to the applicable form of Consent and Agreement attached hereto as **Exhibit A**.

4. All notices, demands or documents which are required or permitted to be given or served hereunder shall be in writing and shall be deemed sufficiently given when delivered or mailed in the manner set forth in the Covenants Agreement.

5. This Assignment is made for collateral purposes only and the duties and obligations of Assignor under this Assignment shall terminate when all sums due Assignee under the Financing Documents are paid in full and all obligations, covenants, conditions and agreements of Assignor contained in the Financing Documents are performed and discharged.

6. This assignment shall be governed by, and construed in accordance with, the laws of the State of New York.

7. It is expressly intended, understood and agreed that this Assignment and the other Financing Documents are made and entered into for the sole protection and benefit of Assignor, and Assignee, and their respective successors and assigns (but in the case of assigns of Assignor, only to the extent permitted hereunder); that no other person or persons shall have any right at

any time to action hereon or rights to the proceeds of the loan evidenced and secured by the Financing Documents; that such loan proceeds do not constitute a trust fund for the benefit of any third party; that no third party shall under any circumstances be entitled to any equitable lien on any such undisbursed loan proceeds at any time; and that Assignee shall have a lien upon and right to direct application of any such undisbursed loan proceeds as provided in the Financing Documents.

8. Assignor and Assignee intend and believe that each provision in this Assignment comports with all applicable local, state or federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Assignment is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision or public policy, and if such court should declare such portion, provision or provisions of this Assignment to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Assignor and Assignee that such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this Assignment shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein and that the rights, obligations and interests of Assignor and Assignee under the remainder of this Assignment shall continue in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, Assignor has delivered this Assignment as of the date first written above.

ASSIGNOR:

NORTH COUNTRY SCHOOL

By: 
David Hochschartner
Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the ~~1st~~ day of March in the year 2019 before me, the undersigned, personally appeared David Hochschartner, Executive Director of Assignor, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November 13, 2022

EXHIBIT A

CONTRACTOR'S AGREEMENT AND CONSENT TO ASSIGNMENT OF CONSTRUCTION CONTRACTS

The undersigned ("Contractor") as general contractor under the general contract between **NORTH COUNTRY SCHOOL** ("Owner") and Contractor ("Agreement") which is one of the Construction Contracts referred to in that certain Assignment of Construction Contracts, dated as of March __, 2019 ("Assignment"), made by Owner to Boston Private Bank & Trust Company ("Assignee"), hereby consents to the terms of the Assignment and agrees that, upon receipt of notice from Assignee or its successors or assigns that an Event of Default has occurred under the Assignment and that Assignee is assuming the Agreement, it will perform all of its obligations, covenants, conditions and agreements under the Agreement for the benefit of Assignee and its successors and assigns, so long as Assignee performs the duties and obligations of the Owner under the Agreement, including those as to which Owner is in default as of the date of assumption of the Agreement.

For purposes of the Assignment, any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three Business Days after mailing (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service or (d) if by telecopier on the day of transmission so long as copy is sent on the same day by overnight courier as set forth below:

If to the undersigned: Neagley & Chase Construction Company
66 Bowdoin Street
South Burlington, Vermont 05403
Attention: Robert Higgins
Facsimile: (802) 658-0349

If to Assignee: Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109
Attention: Thatcher L. Freeborn, Senior Vice President

or such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

The undersigned also agrees that in the event of a breach by Assignor of any of the terms and conditions of the Agreement, the undersigned will give Assignee written notice of such breach and the opportunity to remedy or cure such breach within thirty (30) days thereafter except that the undersigned agrees that no default shall be deemed to have occurred if curing such default cannot by its nature be accomplished in such thirty (30) day period so long as Assignee shall have commenced curing the same within such thirty (30) day period and thereafter shall diligently and continuously prosecute the same to completion. Such cure period may be

concurrent with any cure period allowed the Assignor in the Agreement. Contractor's rights under the Agreement to suspend work under the Agreement shall not be affected by any cure period afforded the Assignee under this paragraph.

It is expressly understood that Assignee neither assumes nor has any obligation to Contractor to exercise its rights under the Assignment, and that the option to exercise such right rests in the sole and absolute discretion of Assignee. In the event Assignee exercises its rights under the Assignment, Contractor agrees that Assignee shall have no personal obligations or liabilities under the Agreement or the Assignment and the sole rights and remedies of Contractor as against Assignee under the Agreement or under this Consent shall be a suit against Assignor and enforcement of Contractor's lien rights, if any, against the property described in the Agreement. Notwithstanding the preceding sentence, Contractor shall have no obligation to continue construction on behalf of Assignee in the event Assignee exercises its rights under the Assignment unless Assignee assumes the obligation to pay sums due to Contractor for work performed or materials supplied as and when such payments become due under the terms of the Agreement, whether due before or after the date of assumption by Assignee.

Contractor acknowledges that the execution and delivery of this Agreement and Consent to Assignment ("Consent") is a material inducement to Assignee to purchase the Bonds, and, without execution and delivery of this Consent, Assignee will not purchase the Bonds.

NEAGLEY & CHASE CONSTRUCTION
COMPANY

By: _____

Name: _____

Title: _____

ARCHITECT'S AGREEMENT AND CONSENT TO
ASSIGNMENT OF CONSTRUCTION CONTRACTS

The undersigned ("Architect") as architect and engineer under the architecture and engineering contract between **NORTH COUNTRY SCHOOL** ("Owner") and Architect ("Agreement") which is one of the Construction Contracts referred to in that certain Assignment of Construction Contracts, dated as of March __, 2019 ("Assignment"), made by Owner to Boston Private Bank & Trust Company ("Assignee") hereby consents to the terms of the Assignment and agrees that, upon receipt of notice from Assignee or its successors or assigns that an Event of Default has occurred under the Assignment, it will perform all of its obligations, covenants, conditions and agreements under the Agreement for the benefit of Assignee and its successors and assigns, so long as Assignee performs the duties and obligations of the Owner under the Agreement.

For purposes of the Assignment, any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three Business Days after mailing (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service or (d) if by telecopier on the day of transmission so long as copy is sent on the same day by overnight courier as set forth below:

If to the undersigned: Maclay Architects
4509 Main Street
Waitsfield, Vermont 05673
Attention: Teal Usher

If to Assignee: Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109
Attention: Thatcher L. Freeborn, Senior Vice President

or such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

The undersigned also agrees that in the event of a breach by Assignor of any of the terms and conditions of the Agreement, the undersigned will give Assignee written notice of such breach and the opportunity to remedy or cure such breach within thirty (30) days thereafter except that the undersigned agrees that no default shall be deemed to have occurred if curing such default cannot by its nature be accomplished in such thirty (30) day period so long as Assignee shall have commenced curing the same within such (30) day period and thereafter shall diligently and continuously prosecute the same to completion.

It is expressly understood that Assignee neither assumes nor has any obligation to Architect to exercise its rights under the Assignment, and that the option to exercise such right rests in the sole and absolute discretion of Assignee. In the event Assignee exercises its rights under the

Assignment, Architect agrees that Assignee shall have no personal obligations or liabilities under the Agreement or the Assignment and the sole rights and remedies of Architect as against Assignee under the Agreement or under this Consent shall be a suit against Assignor and enforcement of Architect's lien rights, if any, against the property described in the Agreement. Notwithstanding the preceding sentence, Architect shall have no obligation to continue construction on behalf of Assignee in the event Assignee exercises its rights under the Assignment unless Assignee assumes the obligation to pay sums due to Architect for work performed or materials supplied as and when such payments become due under the terms of the Agreement, except for sums previously advanced to the Owner which may not have been paid to Contractor.

Architect acknowledges that the execution and delivery of this Agreement and Consent to Assignment ("Consent") is a material inducement to Assignee to purchase the Bonds, and, without execution and delivery of this Consent, Assignee will not purchase the Bonds.

MACLAY ARCHITECTS

By: William MacLay
Name: WILLIAM } MACLAY
Title: PRESIDENT

ACTIVE 41482294v2

Transcript Document No. 32

Notice of Assignment

NOTICE OF ASSIGNMENT

(Pursuant to Section 15 of the Lien Law)

- (a) Assignee (Person making advances) (“Assignee”):

Boston Private Bank & Trust Company
10 Post Office Square
Boston, Massachusetts 02109



Instr # 2019-3072
Joseph A. Provoncha, County Clerk

03/28/2019 03:17:00 PM
3 Pages
LIEN

- (b) Assignor (Person to whom or on whose behalf advances are made) (“Assignor”):

North Country School
4382 Cascade Road
Lake Placid, New York 12946

Specify whether person to whom or on whose behalf advances are made is

owner contractor subcontractor



- (c) Date of Assignment: As of March 29, 2019.
- (d) Date of termination of Assignment (2 year maximum): March 29, 2021
- (e) Description of the improvement of real property or public improvement for which advances are made:

(i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, renovation of Hike House and renovation of Round Lake Cottage (the “Facilities”), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the “Equipment”), and (iii) the refinancing of outstanding indebtedness of the Assignor used to finance a portion of the costs of the foregoing.

Address of property affected (if address number of premises is not available, give description sufficient to identify premises.):

4382 Cascade Road
Lake Placid, New York

- (f) Description of Assignment: Assignment of Construction Contracts, dated as of March 29, 2019 (the “Assignment”), from North Country School (“Assignor”) to Boston Private Bank & Trust Company (“Assignee”), which Assignment covers all of Assignor’s right, title and interest in and to certain construction contracts between Assignor and the contractors for the above-described improvements and all contracts and subcontracts

RR:

GREENBERG TRAURIG LLP
ATTN: BEN MCGUIRE ESQ
ONE INTERNATIONAL PLACE ST 2000
BOSTON MA 02110

entered into by Assignor or such contractors in connection with the performance of the work or the supply of the materials required for the improvements and all engineering and other design contracts.

- (g) Date of any advance made on or before the date of filing for which this Notice of Assignment is intended to be effective: None.
- (h) Maximum amount of advances made and to be made pursuant to this Notice of Assignment: \$7,100,000.
- (i) The Assignment was made in accordance with and subject to Section 15 of the Lien Law.

Dated: March 29, 2019

[Signature Page Follows]

Filed by:
BOSTON PRIVATE BANK & TRUST COMPANY

By: *Thatcher Freeborn*
Authorized Officer

Address: Ten Post Office Square
Boston, Massachusetts 02109

COMMONWEALTH OF MASSACHUSETTS)
SUFFOLK COUNTY) ss.

On the 26 day of March in the year 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared Thatcher L. Freeborn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Senior Vice President of Boston Private Bank & Trust Company, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Hannah Monique Glover
Notary Public

ACTIVE 41482245v1



Transcript Document No. 33

Loan Agreement (Revolving Line of Credit)

LOAN AGREEMENT

This **LOAN AGREEMENT**, dated as of March 29, 2019 (this "Agreement"), is between **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the "Borrower"), and **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (the "Bank").

WHEREAS, the Borrower has requested a loan to support its working capital needs; and

WHEREAS, the Bank is willing to make the Loan (as defined below) requested by the Borrower subject to the terms and conditions stated below;

NOW, THEREFORE, in consideration of the agreements, representations and warranties contained in this Agreement and each intending to be legally bound hereby, the Borrower and the Bank agree as follows:

SECTION 1

DEFINITIONS

Unless the context otherwise requires, the terms defined in this Section 1 will, for all purposes of this Agreement, have the meanings specified. The following definitions are equally applicable to both the singular and plural forms of any of the terms defined. All terms of accounting significance used (unless otherwise specified) will be determined by reference to the Borrower's books of account and in conformity with generally accepted accounting principles as applied to the books of account in the opinion of a certified public accountant of recognized standing selected by the Borrower and reasonably acceptable to the Bank. Terms used in this Agreement and not otherwise defined shall have the same meanings assigned to them in the Covenants Agreement.

1.1 Advance Amount. The aggregate discounted market value of the following securities and cash held in the Investment Account (discounted as set forth below), provided that no value shall be attributed to any securities in the Investment Account of a type not listed below, less the outstanding principal balance of the Series 2019B Bonds:

- (a) 50% of the market value of common stock with a share price greater than \$5.00 and less than \$10.00;
- (b) 67% of the market value of common stock with a share price of \$10.00 or greater, provided that any portfolio containing the stock of only one issuer will be discounted by 50%;
- (c) 80% of the market value of investment grade corporate or municipal bonds;
- (d) 90% of the market value of U.S. Treasuries with a term greater than 5 years;
- (e) 95% of the market value of U.S. Treasuries with a term of 5 years or less; and
- (f) 90% of cash deposits.

1.2 Bonds Loan Agreement. The Bond Purchase and Loan Agreement, dated as of March 1, 2019, by and among the Borrower, the Bank and the Essex County Capital Resource Corporation, as amended, modified, supplemented and restated from time to time.

1.3 Commitment. The Commitment Letter, dated February 19, 2019, from the Bank to the Borrower.

1.4 Control Agreement. The Pledged Asset Agreement for Collateral Loans, of even date, among the Borrower, the Bank and the holder of the account named therein, as amended, modified, supplemented and restated from time to time.

1.5 Covenants Agreement. The Continuing Covenants Agreement, of even date herewith, by and between the Borrower and the Bank, as amended, modified, supplemented and restated from time to time.

1.6 Default Rate. A rate per annum equal to five percent (5%) above the rate that would otherwise be in effect on the Note if no Event of Default had occurred.

1.7 Event of Default. Any event or condition specified in Section 6.1.

1.8 Expiration Date. Has the meaning assigned in the Note, as such date may be extended from time to time in the Bank's sole discretion, upon written request of the Borrower to the Bank.

1.9 Investment Account. Has the meaning assigned in the Pledge Agreement.

1.10 Loan. The loan evidenced by the Note.

1.11 Loan Documents. This Agreement, the Note, the Covenants Agreement, the Security Agreement, the Mortgage, the Negative Pledge Agreement, the Pledge Agreement, the Control Agreement and the Commitment, and all other agreements, documents, instruments and certificates delivered by the Borrower, or others to the Bank in connection with any of the foregoing, all as amended, modified, supplemented and restated from time to time.

1.12 Mortgage. The Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, of even date herewith, from the Borrower to the Bank, as amended, modified, supplemented and restated from time to time.

1.13 Negative Pledge Agreement. The Negative Pledge Agreement, of even date herewith, between the Borrower and the Essex County Capital Resource Corporation, which Negative Pledge Agreement has been assigned to the Bank, as amended, modified, supplemented and restated from time to time.

1.14 Note. The Demand Revolving Line of Credit Note, of even date herewith, from the Borrower payable to the Bank in the stated principal amount of \$1,000,000, as amended, modified, supplemented and restated from time to time.

1.15 Obligations. Obligations is intended to be used in its most comprehensive sense and means the obligations of the Borrower:

a. To pay the principal of, and interest on, the Note in accordance with the terms thereof and to satisfy all other liabilities to the Bank, whether hereunder or otherwise, whether now existing or hereafter incurred, matured or unmatured, direct or contingent, joint or several, including any extensions, modifications, renewals thereof and substitutions therefor;

b. To repay to the Bank all amounts advanced by the Bank hereunder or otherwise on behalf of the Borrower; and

c. To reimburse the Bank, on demand, for all of the Bank's reasonable expenses and costs, including without limitation the reasonable fees and expenses of its counsel, in connection with the preparation, administration, amendment, modification, or enforcement of this Agreement and the documents required hereunder, including, without limitation, any proceeding brought, or threatened, to enforce payment of any of the obligations referred to in the foregoing clauses (a) and (b).

1.16 Person. An individual, an association, a corporation, a limited liability company, a partnership, a limited liability partnership, a joint stock association, a business trust or a government or any agency or subdivision of a government.

1.17 Pledge Agreement. The Pledge Agreement (Account), of even date herewith, by and between the Borrower and the Bank, as amended, modified, supplemented and restated from time to time.

1.18 Premises. Means the Property (as defined in the Mortgage).

1.19 Security Agreement. The Security Agreement (All Assets), of even date herewith, by and between the Borrower and the Bank, as amended, modified, supplemented and restated from time to time.

1.20 Series 2019B Bonds. Has the meaning assigned in the Bonds Loan Agreement.

SECTION 2

THE LOAN

2.1 General Terms. Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties and agreements of the Borrower, the Bank shall make the Loan to the Borrower, as set forth below.

2.2 Note. At the time of making the Loan the Borrower will execute and deliver to the Bank the Note in the aggregate principal amount of the Loan. At the time of any advance made under the Note or under this Agreement, the Borrower shall immediately become indebted to the Bank for the full amount of such advance. The then outstanding principal balance of the Loan, accrued but unpaid interest thereon and all other charges due pursuant to the terms hereof

shall be due and payable as set forth in the Note, as the same may be extended pursuant to this Agreement.

2.3 Disbursement of the Loan. The Bank will disburse the proceeds of the Note to the Borrower's deposit account held at the Bank, or as otherwise directed by the Borrower.

2.4 The Loan. Subject to the terms and conditions hereof and as set forth in the Note, the Bank will lend the Borrower, from time to time until the earlier of (i) DEMAND is made by the Bank in accordance with the Note, (ii) the occurrence of an Event of Default, or (iii) the Expiration Date, such sums as the Borrower may request by reasonable notice to the Bank (an "Advance"), but which shall not exceed, in the aggregate principal amount at any one time outstanding, the lesser of \$1,000,000 and the Advance Amount. The Borrower may borrow, repay without penalty or premium and reborrow hereunder, from the date of this Agreement until the earlier of (i) DEMAND is made by the Bank in accordance with the Note, (ii) the occurrence of an Event of Default, or (iii) the Expiration Date. The Loan shall be subject to annual review and renewal by the Bank. It is the intention of the parties that the aggregate outstanding principal amount of the Note shall at no time exceed the lesser of \$1,000,000 and the Advance Amount, and if, at any time, the outstanding principal amount of the Note shall exceed such amount, the full amount of such excess shall be immediately due and payable in full. All indebtedness evidenced by the Note will be due and payable on the Expiration Date.

The Advances made by the Bank under the Note shall be evidenced by the Bank in an account maintained on the books of the Bank in which account a record of all Advances under the Note will be kept, indicating the date each Advance was extended, the amount of the Advance, and the interest rate applicable to such Advance, each payment of principal of any such Advance, each payment of interest on any such Advance and such other information as the Bank may determine. The entries in such account (including any appearing on or attached to the Note) shall be conclusive evidence of amounts outstanding absent manifest error. Any failure of the Bank to make appropriate entries or any error in making such entries shall not affect or impair the validity of any Obligations or affect or impair the obligation of the Borrower to repay the Advances made by the Bank in the correct amount outstanding in accordance with the terms of this Agreement and the Note.

2.5 Interest Rate and Payments of Interest. Interest on the outstanding principal balance of the Loan from time to time outstanding shall accrue at the rates and be payable as set forth in the Note.

2.6 Debiting of Account. The Bank shall directly debit amounts owing by the Borrower under the Note with respect to interest and principal directly from the Borrower's account held at the Bank and designated by the Borrower.

2.7 Interest After Default. Immediately upon the occurrence of an Event of Default and unless or until such Event of Default is waived, the Borrower shall pay interest on the principal amount of all outstanding Obligations at the Default Rate, to the fullest extent permitted by Legal Requirements.

SECTION 3

CONDITIONS PRECEDENT

The obligation of the Bank to make the Loan is subject to the following conditions precedent:

3.1 Documents Required for the Closing. The Borrower shall have delivered to the Bank, on or prior to the execution by the Borrower and delivery to and acceptance by the Bank of the Note (the “Closing”), the following:

- a. This Agreement, duly executed;
- b. The other Loan Documents, duly executed;
- c. A copy, certified as of the date of the Closing by the Secretary of the Borrower, of votes of the Board of Trustees of the Borrower, authorizing the execution, delivery, and performance of the Loan Documents and each other document to be delivered pursuant hereto;
- d. A copy, certified by the New York State Education Department, of the Charter of the Borrower, and all amendments thereto, together with a certificate (dated the date of the Closing) of the Secretary of the Borrower to the effect that such Charter has not been further amended since the date of the aforesaid certification;
- e. A copy, certified as of the date of the Closing by the Secretary of the Borrower, of the bylaws of the Borrower;
- f. A certificate (dated the date of the Closing) of the Secretary of the Borrower as to the incumbency and signatures of the officers of the Borrower signing the Loan Documents, and each other document to be delivered pursuant hereto;
- g. A written opinion of Locke Lord, LLP, legal counsel for the Borrower, dated the date of the Closing and addressed to the Bank, in form satisfactory to the Bank and its counsel;
- h. Evidence of insurance covering fire, other hazards and general liability in accordance with the provisions of the Loan Documents;
- i. Those items set forth in the Commitment, which are required to be delivered as a condition for Closing; and
- j. Such other certificates and documents as the Bank may otherwise require.

3.2 Commitment. The Borrower shall have satisfied the various terms and conditions of the Commitment, performance of which prior to the date hereof is contemplated thereby. To the extent that any provisions in the Commitment are not by their terms required to be satisfied on or before the date hereof or to the extent that the performance of any provision thereof is

waived in writing as a condition precedent to the consummation of the Loan, all such provisions shall be incorporated herein by reference as if set forth in full in this Agreement. In the event that any inconsistency or conflict exists between the Commitment and this Agreement, this Agreement shall control in each such instance.

3.3 Documents Required for Subsequent Disbursements. At the time of, and as a condition to, any disbursement of any part of the Loan to be made by the Bank subsequent to the Closing, the Bank may require the Borrower to deliver to the Bank a certificate, dated the date on which any such disbursement is to be made, signed by the executive director or chief financial officer of the Borrower, and to the effect that:

- i. As of the date thereof, no Event of Default has occurred that has not been waived;
- ii. No Material Adverse Effect has occurred; and
- iii. Each of the representations and warranties contained or incorporated by reference herein is true and correct in all material respects as if made on and as of the date of such disbursement, except that to the extent any representation or warranty is made as of a specific date, it shall be true and correct in all material respects as of such date.

3.4 Certain Events. At the time of, and as a condition to, the Closing and each disbursement of any part of the Loan to be made by the Bank at or subsequent to the Closing:

- a. No Event of Default shall have occurred that has not been waived, and no event shall have occurred and be continuing that, with the giving of notice or passage of time or both, would be an Event of Default;
- b. No Material Adverse Effect shall have occurred; and
- c. All of the Loan Documents shall have remained in full force and effect.

3.5 No Obligations for Subsequent Disbursements. Without limiting any of the foregoing or any other provisions hereof, the Borrower agrees that the Bank shall not be required to advance any sums under this Agreement if: (a) any attachment shall be made by trustee process or otherwise of the funds in the hands of the Bank; (b) there shall have occurred any event or circumstance which would reasonably be expected to result in a Material Adverse Effect; (c) a default or Event of Default has occurred that has not been waived; (d) there are any legal actions or other legal or administrative proceedings pending against the Borrower or its property or, to the knowledge of the Bank, threatened which would reasonably be likely to result in a Material Adverse Effect; or (e) any representations or warranties made by the Borrower prior to any advance are determined by the Bank to have been materially untrue or incorrect at the time they were given.

3.6 Legal Matters. At the time of the Closing, all legal matters incidental to the Closing shall be reasonably satisfactory to Greenberg Traurig, LLP, legal counsel to the Bank.

SECTION 4
COLLATERAL SECURITY

4.1 Composition of the Collateral. The property in which a security interest is granted pursuant to the provisions hereof, the Mortgage, the Security Agreement, the Pledge Agreement and the other Loan Documents are herein collectively called the “Collateral.” The Collateral shall stand as one general, continuing collateral security for all Obligations and may be retained by the Bank until all Obligations have been satisfied in full, provided that the Mortgage shall only be recorded with the Essex County Clerk upon the occurrence of a Mortgage Recordation Event (as defined in the Covenants Agreement).

4.2 Rights in Property Held by the Bank. As security for the prompt satisfaction of all Obligations, the Borrower hereby assigns, transfers, and sets over to the Bank all of its right, title, and interest in and to, and grants the Bank a lien on and a security interest in, all amounts that may be owing, from time to time, by the Bank to the Borrower in any capacity, including, but without limitation, any balance or share belonging to the Borrower, or any deposit or other account with the Bank, which lien and security interest shall be independent of, and in addition to, the Bank’s right of set-off.

4.3 Priority of Liens. The security interests in favor of the Bank as provided herein and in the other Loan Documents shall be first priority liens, on a parity with the liens granted to the Bank to secure the Bonds, subject only to Permitted Liens (as defined in the Security Agreement).

4.4 Damage to Premises. In the event of a taking of the Premises or any portion thereof by eminent domain or by condemnation, damage or destruction affecting all or part of the Premises, then and in such event proceeds of any insurance, condemnation or eminent domain award shall, if in excess of \$250,000, be paid to the Bank and disbursed in accordance with the provisions of the Bonds Loan Agreement.

SECTION 5
REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF BORROWER

5.1 Representations and Warranties. The representations and warranties set forth in the Covenants Agreement are true and correct as of the date hereof. All such representations and warranties are hereby incorporated by reference in this Agreement as if set forth in full herein.

5.2 Covenants and Agreements Incorporated. The covenants and agreements set forth in the Covenants Agreement are hereby incorporated by reference in this Agreement as if set forth in full herein.

SECTION 6

DEFAULT

6.1 Events of Default. The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

a. The Borrower shall fail to make any payment due on the Note when due, or fail to pay any of its other Obligations to the Bank within ten (10) days after written notice thereof is given to the Borrower; or

b. Any Financial Statement, representation, warranty, or certificate made or furnished by or on behalf of the Borrower to the Bank in connection with the Loan or this Agreement, or as inducement to the Bank to make the Loan or enter into this Agreement, or in any separate statement or document to be delivered to the Bank hereunder, shall be materially false, incorrect, or incomplete when made; or

c. The Borrower shall fail to observe or perform any other covenant or obligation and such failure is not remedied within 30 days after written notice thereof is given to the Borrower, provided that if such failure reasonably cannot be cured within such 30-day period and so long as the Borrower commences and diligently proceeds to cure such default within such 30-day period, the period of time to cure such default shall be extended for an additional 30 days; or

d. (i) Any default or Event of Default under the Covenants Agreement or any other Loan Document shall occur that continues beyond any applicable notice and/or grace period, or a default shall occur with respect to any other obligation of the Borrower to the Bank (including under the Bond Loan Agreement), which default continues beyond the expiration of any applicable notice and/or grace period, or (ii) a breach shall occur (and continue beyond any applicable notice and/or grace period) with respect to the payment by the Borrower of any other indebtedness of the Borrower, or with respect to the performance of any agreement securing such indebtedness or pursuant to which the same was issued or incurred, or an event shall occur with respect to provisions of any such agreement relating to matters of the character referred to in this paragraph, so that a holder or holders of such indebtedness or a trustee or trustees under any such agreement accelerates or is entitled to accelerate any such indebtedness; the Borrower shall notify the Bank of any such breach or event immediately upon the Borrower's becoming aware of its occurrence and shall from time to time furnish such information as the Bank may reasonably request for the purpose of determining whether a breach or event described in this clause (ii) has occurred; or

e. This Agreement or any other Loan Document shall prove to be illegal or unenforceable in any material respect.

A default shall exist hereunder upon the occurrence of any of the foregoing events without regard to any lapse of time or notice.

6.2 Acceleration. At its option, and at any time after the occurrence of an Event of Default, whether immediately or otherwise, the Bank may declare all Obligations of the

Borrower to the Bank immediately due and payable without further action of any kind without notice, demand or presentment.

SECTION 7

THE BANK'S RIGHTS AND REMEDIES

7.1 The Bank's Rights Upon Default. Upon the occurrence of an Event of Default, the Bank, without presentment, demand, notice, protest or advertisement of any kind, will have all of the rights under all Legal Requirements, including without limitation all of the rights set forth in the Loan Documents.

7.2 Right of Set-off. The Borrower hereby grants to the Bank a lien, security interest and a right of setoff as security for all Obligations upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of the Bank or any entity under the control of the Bank, or in transit to any of them. At any time, after the occurrence of an Event of Default that has not been waived, without demand or notice, the Bank may set off the same or any part thereof and apply the same to the Obligations even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE THE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE BORROWER ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED. The Bank shall not be required to marshal any present or future security for, or guarantees of, the Obligations or to resort to any such security or guarantee in any particular order and the Borrower waives, to the fullest extent that it lawfully can, (i) any right it might have to require the Bank to pursue any particular remedy before proceeding against it, and (ii) any right to the benefit of, or to direct the application of the proceeds of any collateral until the Obligations are paid in full.

7.3 Discretionary Advances. Notwithstanding the maturity of the Note or the occurrence of any Event of Default, the Bank may make any payment required to be made hereunder by the Borrower with respect to the Loan without thereby waiving the right to demand payment of the unpaid principal of and all accrued interest on the Note, without becoming liable to make any other or further payment, and without affecting the validity of the Note.

7.4 Exercise of Other Remedies. Upon the occurrence of any Event of Default that has not been waived, and at any time thereafter, the Bank may exercise the remedies of a secured party afforded by the Uniform Commercial Code of the State of New York and other applicable Legal Requirements or by the terms of any agreement between the Borrower and the Bank, including the Security Agreement.

7.5 Cumulative Rights and Remedies. All rights and remedies of the Bank, whether provided for herein or in other agreements, instruments or documents or conferred by law, are cumulative and may be exercised alone or simultaneously.

7.6 No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The provisions of this Agreement are not in limitation of nor limited by inconsistent or differing provisions contained in the Loan Documents or elsewhere, and any rights or remedies hereunder are cumulative with (and not in exclusion of) all other rights and remedies hereunder, or arising under any other agreement or provided by law.

7.7 Right to Cure. In the event that the Borrower shall fail to purchase or maintain insurance on the Premises or to pay any tax, assessment, governmental charge or levy on any of the Premises or the Collateral, except as the same may be otherwise permitted hereunder, or in the event that any lien, encumbrance or security interest on any of the Premises or the Collateral prohibited hereby or by the other Loan Documents shall not be paid in full, discharged or bonded over to the satisfaction of the Bank, or in the event that the Borrower shall fail to pay or comply with any other liability or agreement hereunder, which liability or agreement relates to any of the Premises, the Collateral or to the Loan, the Bank may, but shall not be required to, pay, satisfy, perform, discharge or bond the same for the account of the Borrower, and all moneys so paid and expenses incurred by the Bank shall be payable to the Bank by the Borrower on demand and shall bear interest from the date of demand until paid at the Default Rate.

SECTION 8

INDEMNIFICATION

The Borrower hereby agrees to indemnify and hold harmless the Bank, against any and all claims, damages, losses, liabilities, costs or expenses (including reasonable attorney fees) whatsoever which the Bank may incur by reason of any untrue statement or alleged untrue statement of any material fact contained or incorporated by reference in any materials furnished by the Borrower or any other Person (other than the Bank) in connection with the making of the Loan, or the omission or alleged omission to state therein a material fact necessary to make such statements, in light of the circumstances under which they are or were made, not misleading, or in connection with or arising out of (i) any condition of the Premises or any other property of the Borrower or the construction, use, occupancy or management thereof; (ii) any accident, injury or damage to any person occurring in or about the Premises or any other property of the Borrower; (iii) any breach by the Borrower of its obligations under this Agreement; or (iv) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees, to the extent permitted by law, including but not limited to reasonable costs and expenses of defending or preparing to defend against any claim of liability, and in each case excluding any such loss, liability, damage, cost or expense caused by the Bank's own gross negligence or willful misconduct. This indemnification shall survive the termination or defeasance of this Agreement.

SECTION 9

ATTORNEY-IN-FACT

9.1 Attorney-In-Fact. The Borrower hereby irrevocably appoints the Bank, or its designee, as the Borrower's true and lawful attorney-in-fact, with full power, to be exercised, if at all, after the occurrence of an Event of Default that has not been waived, as follows: (i) to endorse the name of the Borrower on any assignments, notes, checks, drafts, money orders, or other instruments of payment; (ii) to sign or endorse the name of the Borrower on any negotiable instrument, invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts, assignments, verifications and notices in connection with accounts; (iii) to obtain, adjust, settle and cancel, in the name of the Borrower insurance policies and to sign the Borrower's name on settlement checks or drafts; (iv) in the Borrower's name, to do any act which this Agreement or the other Loan Documents requires the Borrower to do; and (v) upon or after demand under the Note or the occurrence of an Event of Default, to give notice to the United States Post Office to effect changes of address so that mail addressed to the Borrower may be delivered directly to the Bank. The Bank will forward to the Borrower mail that is not relevant to the Bank's collection efforts, as reasonably determined by the Bank, and under all other circumstances, shall endeavor to forward copies of all other mail retained. In exercising this power-of-attorney, the Bank shall not be liable to the extent that it acts in good faith.

SECTION 10

MISCELLANEOUS

10.1 Construction. The provisions of this Agreement shall be in addition to those of the other Loan Documents and any guaranty, pledge agreement, security agreement, note, or other evidence of liability now or hereafter held by the Bank, all of which shall be construed as complementary to each other. Nothing herein contained shall prevent the Bank from enforcing any or all other guaranties, pledge agreements, security agreements, notes, or other evidences of liability in accordance with their respective terms.

10.2 Enforcement and Waiver by the Bank. The Bank shall have the right at all times to enforce the provisions of this Agreement, the Note and the other Loan Documents in strict accordance with the terms hereof and thereof, notwithstanding any conduct or custom on the part of the Bank in refraining from so doing at any time or times. The failure of the Bank at any time or times to enforce its rights under such provisions, strictly in accordance with the same, shall not be construed as having created a custom in any way or manner contrary to specific provisions of this Agreement or as having in any way or manner modified or waived the same. All rights and remedies of the Bank are cumulative and concurrent and the exercise of one right or remedy shall not be deemed a waiver or release of any other right or remedy.

10.3 Responsibility of Bank. The Bank shall not be liable for any loss sustained by the Borrower resulting from any action, omission, or failure to act by the Bank with respect to the exercise or enforcement of its rights under this Agreement or any other Loan Document or its relationship with the Borrower unless such loss is caused by the willful misconduct or gross negligence of the Bank. This Agreement and the exercise by the Bank of its rights hereunder shall not operate to place any responsibility upon the Bank for the construction, control, care, management, or repair of the Premises or the Collateral, nor shall it operate, or make the Bank responsible or liable for any waste committed with respect to the Premises or the Collateral, any

damages or defective condition of the Premises, or any negligence in the construction, management, upkeep, repair or control of the Premises.

10.4 Assignment; Participation. The Bank may participate with other banks or financial institutions and/or may transfer and assign all or a portion of the Loan and its rights under this Agreement and under any other agreements and instruments referred to herein. The Bank may enter into participation agreements on terms and conditions acceptable to Bank, in its sole discretion. In the event that the Bank assigns or transfers rights and obligations under this Agreement, such assignee shall thereupon succeed to and become vested with all rights, powers, privileges and duties of the Bank hereunder, and the Bank, to the extent of such assignment, shall thereupon be discharged and relieved from its future duties and obligations hereunder. No such transfer or assignment shall affect or limit the rights and obligations of the Borrower set forth herein or in the other Loan Documents. The Bank may disclose to any actual or prospective transferee or assignee all information in the Bank's possession regarding the Loan, the Borrower, and the Project. The Borrower may not assign its rights or delegate its duties hereunder except as expressly set forth herein. The Bank shall provide prior written notice to the Institution if the Bank sells, assigns or transfers all or a portion of the Note to another Person.

10.5 Audits. Following an Event of Default that has not been waived, the Bank may conduct audits of the Borrower, at the Borrower's expense, at such times as the Bank deems necessary.

10.6 Expenses of the Bank. The Borrower shall, on demand, reimburse the Bank for all reasonable costs and expenses, including the reasonable fees and costs of legal counsel for the Bank, incurred by the Bank in connection with the preparation, administration, amendment, modification, or enforcement of this Agreement and the other Loan Documents and the collection or attempted collection of any of the Obligations.

10.7 Payments. All payments to the Bank required under the Loan Documents shall be in lawful money of the United States in immediately available funds.

10.8 Notices. All notices, demands or documents which are required or permitted to be given or served hereunder shall be in writing and shall be deemed sufficiently given when delivered or mailed in the manner set forth in the Covenants Agreement.

10.9 Waiver and Release by the Borrower. To the maximum extent permitted by applicable Legal Requirements, the Borrower:

a. Waives (i) protest of all commercial paper at any time held by the Bank on which the Borrower is in any way liable; (ii) except as the same may herein be specifically granted, notice of acceleration and of intention to accelerate; and (iii) except as provided hereunder, notice and opportunity to be heard before exercise by the Bank of the remedies of self-help, set-off, or of other summary procedures permitted by any applicable Legal Requirements or by any agreement with the Borrower, and, except where required hereby or by any applicable Legal Requirements, notice of any other action taken by the Bank; and

b. Releases the Bank and its officers, attorneys, agents, and employees from all claims for loss or damage caused by any act or omission on the part of any of them, except gross negligence and willful misconduct.

10.10 Disclaimer of Relationship. The Borrower acknowledges that nothing in this Agreement or any other Loan Document, nor any act of the Bank, the Borrower or any other person or entity shall be deemed or construed by any person or entity to create any partnership, joint venture or other relationship between the Borrower and the Bank other than a debtor-secured creditor relationship. Upon repayment to the Bank of all Obligations owing thereto, the Bank shall have no further obligations hereunder.

10.11 Applicable Law. This Agreement shall be subject to and construed and enforced in accordance with the laws of The Commonwealth of Massachusetts.

10.12 Consent to Jurisdiction.

a. The Borrower irrevocably submits to the non-exclusive jurisdiction of any Massachusetts court or any federal courts sitting within the Commonwealth over any suit, action or proceeding arising out of or relating to this Agreement. The Borrower irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. The Borrower agrees that final judgment in any such suit, action or proceeding brought in such a court shall be enforced in any court of proper jurisdiction by a suit upon such judgment, provided that service of process in such action, suit or proceeding shall have been effected upon the Borrower in one of the manners specified in paragraph (b) of this Section 10.12 or as otherwise permitted by law.

b. The Borrower hereby consents to process being served in any suit, action or proceeding of the nature referred to in paragraph (a) of this Section 10.12 either (i) by mailing a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to it at its address set forth in Section 10.8 or (ii) by serving a copy thereof upon it at its address set forth in Section 10.8. The Borrower irrevocably waives, to the fullest extent permitted by law, all claims of error by reason of any service as contemplated herein and agrees that such service shall be deemed in every respect effective service upon the Borrower in any such suit, action or proceeding and, to the fullest extent permitted by law, shall be taken and held to be valid personal service upon and personal delivery to the Borrower.

10.13 Binding Effect, Assignment, and Entire Agreement. This Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and permitted assigns of the parties hereto. The Borrower has no right to assign any of its rights or obligations hereunder without the prior written consent of the Bank. This Agreement and the documents executed and delivered pursuant hereto, constitute the entire agreement between the parties and may be amended only by a writing signed on behalf of each party.

10.14 Severability. If any provision of this Agreement shall be held invalid under any applicable Legal Requirements, such invalidity shall not affect any other provision of this

Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable.

10.15 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

10.16 Headings. The headings of the several sections, divisions or subsections of this Agreement are not to be construed to constitute any part of this Agreement.

10.17 Loan Documents. References to the Loan Documents shall mean and include all modifications, amendments, extensions, restatements, replacements and/or substitutions thereto.

10.18 WAIVER OF JURY TRIAL. THE BORROWER AND THE BANK MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE BANK TO ACCEPT THIS AGREEMENT AND MAKE THE LOAN.

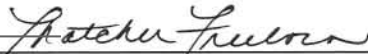
10.19 USA Patriot Act Notice. The Bank hereby notifies the Borrower that, pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), the Bank is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Bank to identify the Borrower in accordance with the Act.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, each of the Borrower and the Bank has caused this Agreement to be signed on its behalf, in its corporate name by its authorized officer, as a sealed instrument all as of the day and year first above written.

**BOSTON PRIVATE BANK & TRUST
COMPANY**

NORTH COUNTRY SCHOOL

By: 
Thatcher L. Freeborn
Senior Vice President

By: _____
David Hochschartner
Executive Director

ACTIVE 41908745v2

IN WITNESS WHEREOF, each of the Borrower and the Bank has caused this Agreement to be signed on its behalf, in its corporate name by its authorized officer, as a sealed instrument all as of the day and year first above written.

**BOSTON PRIVATE BANK & TRUST
COMPANY**

NORTH COUNTRY SCHOOL

By: _____
Thatcher L. Freeborn
Senior Vice President

By: 
David Hochschartner
Executive Director

ACTIVE 41908745v2

Transcript Document No. 34

Demand Revolving Line of Credit Note

DEMAND REVOLVING LINE OF CREDIT NOTE

\$1,000,000

March 29, 2019
Lake Placid, New York

FOR VALUE RECEIVED, **NORTH COUNTRY SCHOOL**, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 (the "Borrower"), promises to pay ON DEMAND to **BOSTON PRIVATE BANK & TRUST COMPANY**, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (its successors, assigns and any future holder or holders of this Note, collectively, the "Bank"), or order, at the Bank's place of business, the principal sum of ONE MILLION and 00/100 DOLLARS (\$1,000,000.00) or such lesser amount as may be advanced from time to time under the Loan Agreement (as defined below), in lawful money of the United States of America in immediately available funds, with interest from the date hereof on the unpaid balance as hereinafter provided.

This Demand Revolving Line of Credit Note (this "Note") is issued pursuant to that certain Loan Agreement, of even date herewith, between the Borrower and the Bank, as it may be amended, modified, supplemented or restated from time to time (the "Loan Agreement"), all of the terms and conditions of which are incorporated herein by reference. Capitalized terms used herein and not defined herein have the meanings ascribed in the Loan Agreement.

The Borrower may borrow, repay without penalty or premium and reborrow hereunder, from the date hereof until (i) DEMAND is made by the Bank, (ii) the occurrence of an Event of Default under the Loan Agreement, or (iii) March 29, 2020 (the "Expiration Date"), whichever occurs first. It is the intention of the parties that the outstanding principal amount of this Note shall at no time exceed the lesser of \$1,000,000 and the Advance Amount, and if at any time the outstanding principal amount of this Note shall exceed such amount, the full amount of such excess shall be immediately due and payable in full. Advances of the proceeds of this Note will be made by the Bank to the Borrower, if at all, in accordance with Section 2.4 of the Loan Agreement and the Borrower shall repay such Advances in accordance with Sections 2.5 and 2.6 of the Loan Agreement. In no event will aggregate Advances under this Note at any time outstanding exceed the lesser of \$1,000,000 and the Advance Amount as required by the Loan Agreement.

An Event of Default under the Loan Agreement shall also constitute an Event of Default hereunder. The enumeration of Events of Default in the Loan Agreement shall not alter or vitiate the demand nature of this Note.

Upon the occurrence of an Event of Default, the Bank may declare that all Obligations of the Borrower to the Bank hereunder due and payable without further notice, presentment, demand, protest or other notice of dishonor of any kind, all of which are expressly waived.

The unpaid principal of this Note from time to time outstanding shall bear interest, payable monthly in arrears, computed on the basis of the actual number of days elapsed over a year assumed to have 360 days, at the LIBOR Rate (as defined below).

As used in this Note, the following terms shall have the following meanings:

“Adjusted LIBOR Rate” means, relative to each LIBOR Period, a rate per annum determined by dividing (i) LIBOR by (ii) a percentage equal to one hundred percent (100%) minus the LIBOR Reserve Percentage. The Adjusted LIBOR Rate will be deemed to change on each date when there is a change in the LIBOR Reserve Percentage.

“Business Day” means, any day which is not (i) a Saturday, or (ii) a Sunday, or (iii) another day of the year on which banks in Boston, Massachusetts are required or authorized by law or by executive order to close.

“Default Rate” means an interest rate per annum (computed on the basis of a year of 360 days for the actual number of days elapsed) that is 5.0% above the rate that would otherwise be in effect on this Note had no Event of Default occurred.

“ICE” means ICE Benchmark Administration Limited or such other administrator of LIBOR, as may be duly authorized by the U.K. Financial Conduct Authority or such other proper authority from time to time.

“Interest Rate Adjustment” means if, prior to the first anniversary of the Closing, the balance in the Investment Account is at least \$11,000,000 (the “Minimum Balance”), the LIBOR Rate shall be reduced by 11 basis points, effective as of the date on which the Minimum Balance is achieved, provided that such reduced interest rate shall be in effect only for so long as the Borrower maintains the Minimum Balance in the Investment Account

“LIBOR” means, relative to any LIBOR Period, the offered rate for deposits of U.S. Dollars in an amount approximately equal to the stated principal amount of this Note for a one-month period which ICE sets as its LIBOR rate at approximately 8:00 A.M. (London time) on the day that is two London Banking Days prior to each LIBOR Reset Date (the “Rate Determination Date”). If for any reason one-month LIBOR is no longer available on any Rate Determination Date or ICE (or its regulatory supervisor) has announced that it has ceased or will cease to provide such rate, then LIBOR shall be calculated using the replacement benchmark rate designated by the Alternative Reference Rates Committee or such other index as is generally recognized in the relevant marketplace as the replacement for one-month LIBOR as determined by the Bank in its sole discretion, and giving effect to any spread adjustment to account for the difference between one-month LIBOR and such successor benchmark as determined by the Bank in its sole discretion.

“LIBOR Breakage Fee” means an amount, as reasonably calculated by the Bank, equal to the amount of any losses, expenses and liabilities (including, without limitation, any loss of margin and anticipated profits) that the Bank may sustain as a result of a prepayment of this Note.

“LIBOR Period” shall mean (i) initially, the period from (and including) the date of this Note and ending on April 30, 2019, and (ii) thereafter, the period commencing on the applicable LIBOR Reset Date and ending on the last day of the same calendar month in which such LIBOR Reset Date occurs; provided however, any LIBOR Period that would otherwise extend beyond the Expiration Date shall end on the Expiration Date.

“LIBOR Rate” means a per annum rate equal to the sum of (i) the Adjusted LIBOR Rate, plus (ii) 2.00%, subject to the Interest Rate Adjustment.

“LIBOR Reserve Percentage” means the maximum aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements (including all basic, emergency, supplemental, marginal and other reserves and taking into account any transitional adjustments or other scheduled changes in reserve requirements) under any regulations of the Board of Governors of the Federal Reserve System (the “Board”) or other governmental authority having jurisdiction with respect thereto as issued from time to time and then applicable to assets or liabilities consisting of “Eurocurrency Liabilities,” as currently defined in Regulation D of the Board, having a term approximately equal or comparable to one month.

“LIBOR Reset Date” means May 1, 2019 and the first (1st) day of each calendar month thereafter.

“London Banking Day” means a day on which dealings in U.S. dollar deposits are transacted in the London interbank market.

“Modified Following Business Day Convention” means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day to the date that will be the first following day that is a Business Day.

The Borrower agrees to pay interest only monthly in arrears on the first (1st) day of each month, commencing May 1, 2019. To the extent that any payment is due on a day that is not a Business Day, an adjustment will be made in accordance with the Modified Following Business Day Convention.

The Borrower may prepay any part or all of the unpaid principal balance of this Note on the last day of any LIBOR Period, without fee or penalty. If the Borrower makes a prepayment of this Note on any date other than the last day of a LIBOR Period, the Borrower shall pay to the Bank the LIBOR Breakage Fee. The Borrower understands, agrees and acknowledges that: (a) the Bank does not have any obligation to purchase, sell and/or match funds in connection with the use of the Adjusted LIBOR Rate as a basis for calculating the LIBOR Rate, (b) the Adjusted LIBOR Rate may be used merely as a reference in determining such rate, and (c) the Borrower has accepted the Adjusted LIBOR Rate as a reasonable and fair basis for calculating the LIBOR Breakage Fee and other funding losses incurred by the Bank. The Borrower further agrees to pay the LIBOR Breakage Fee and other funding losses, if any, whether or not the Bank elects to purchase, sell and/or match funds.

The entire indebtedness evidenced by this Note, if not earlier paid in accordance with the provisions of the Loan Agreement, shall be due and payable on the earlier of (i) the date

DEMAND is made by the Bank, (ii) the Expiration Date, or (iii) the occurrence of an Event of Default.

While no Event of Default exists each payment under this Note will be applied first to interest then due and then to principal. After demand or when an Event of Default exists any payments will be applied to interest or principal, or both, as determined by the Bank in its discretion.

The Borrower will maintain its primary depository account with the Bank and, as provided in the Loan Agreement, all payments of principal and interest to be made hereunder shall be deducted automatically from the Borrower's account maintained at the Bank. The Borrower shall maintain funds in such account that shall, at a minimum, be sufficient to permit timely payment of amounts due hereunder from such account. If the entire amount of any required payment of principal or interest, or both, is not paid in full within five (5) days after the same is due, the Borrower shall pay to the Bank a late fee equal to five percent (5%) of the required payment.

If not paid within five (5) days after DEMAND, or after the occurrence of an Event of Default and unless and until such Event of Default has been waived, the unpaid principal of this Note shall, at the option of the Bank, bear interest at the Default Rate.

The Borrower agrees to pay all reasonable costs, including but not limited to reasonable attorneys' fees and costs, incurred by the Bank in connection with collecting or enforcing any obligation of the Borrower to the Bank. No course of dealing by the Bank and no delay in exercising any right under this Note will operate as a waiver by the Bank of its rights, and a waiver of a right on one occasion may not be construed as a waiver of the right on a future occasion.

All deposits or other amounts in the Bank's possession and due from it to the Borrower or any guarantor or other person liable for the payment of this Note may be treated as collateral for the payment of this Note and all other obligations of the Borrower to the Bank. Upon or at any time after the occurrence of an Event of Default that has not been waived, the Bank may without notice, except to the extent required by law, set off the deposits or other amounts against the Borrower's obligations at any time.

The Borrower and each guarantor, endorser or other persons now or hereafter liable for the payment of any of the indebtedness evidenced by this Note, severally agrees, by making, guaranteeing or endorsing this Note or by making any agreement to pay any of the indebtedness evidenced by this Note, to waive presentment for payment, protest and demand, notice of protest, demand and of dishonor and nonpayment of this Note, and consents, on one or more occasions, without notice or further assent (a) to the substitution, exchange or release of any collateral securing this Note or any part thereof at any time, (b) to the acceptance or release by the holder or holders hereof at any time of any additional collateral or security for or other guarantors of this Note, (c) to the modification or amendment, at any time and from time to time, of this Note, the Loan Agreement or any other Loan Document or instrument securing this Note at the request of any person liable thereon, (d) to the granting by the holder hereof of any extension of the time

for payment of this Note or for the performance of the agreements, covenants and conditions contained in this Note, the Loan Agreement or any other Loan Document or instrument securing this Note, at the request of any person liable thereon, and (e) to any and all forbearances and indulgences whatsoever. Such consent shall not alter or diminish the liability of any person.

The Borrower's obligations under this Note are secured as set forth in the Loan Agreement.

THE BANK (BY ITS ACCEPTANCE HEREOF) AND THE BORROWER EACH AGREE THAT NEITHER OF THEM, INCLUDING ANY ASSIGNEE OR SUCCESSOR, SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM, OR ANY OTHER LITIGATION PROCEDURE BASED UPON, OR ARISING OUT OF, THIS NOTE, ANY RELATED INSTRUMENTS, ANY COLLATERAL OR THE DEALINGS OR THE RELATIONSHIP BETWEEN AND AMONG THEM. NEITHER THE BANK NOR THE BORROWER SHALL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY DISCUSSED BY THE BANK AND THE BORROWER, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. THE BANK AND THE BORROWER AGREE THAT THE PROVISIONS OF THIS PARAGRAPH WILL BE FULLY ENFORCED IN ALL INSTANCES.

[SIGNATURE PAGE FOLLOWS]

Executed as a sealed instrument as of the date first written above.

NORTH COUNTRY SCHOOL



Witness

By: 

David Hochschartner
Executive Director

ACTIVE 41908872v1

Transcript Document No. 35

Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of March 29, 2019, from the Institution to the Bank. (Revolving Line of Credit)

**MORTGAGE,
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

MADE BY

**NORTH COUNTRY SCHOOL,
as Mortgagor**

to

**BOSTON PRIVATE BANK & TRUST COMPANY,
as Mortgagee**

Dated as of: March 29, 2019

**LINE OF CREDIT FROM BOSTON PRIVATE BANK & TRUST COMPANY TO
NORTH COUNTRY SCHOOL**

PREPARED BY AND UPON RECORDATION RETURN TO:

**Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esq.**

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of March 29, 2019, by and among NORTH COUNTRY SCHOOL, a New York not-for-profit corporation, having an office for the transaction of business located at 4382 Cascade Road, Lake Placid, New York 12946 ("Mortgagor" or the "Institution") in favor of BOSTON PRIVATE BANK & TRUST COMPANY, a Massachusetts chartered bank, having an office for the transaction of business at 10 Post Office Square, Boston, Massachusetts 02109 (with its successors and assigns, "Mortgagee" or the "Bank").

1. **Grant and Secured Obligations.**

1.1 Grant. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2 below, Mortgagor hereby irrevocably and unconditionally grants, bargains, sells, conveys, mortgages and warrants to Mortgagee, with power of sale and with right of entry and possession, all estate, right, title and interest which Mortgagor now has or may later acquire in and to the following properties (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"): (a) the real property located in the Village of Lake Placid, Essex County, State of New York, as described in **Exhibit A**, together with all existing and future easements and rights affording access to it (the "Land"); together with (b) all buildings, structures and improvements now located or later to be constructed on the Land (the "Improvements"); together with (c) all existing and future appurtenances, privileges, easements, franchises and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any Land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and the Improvements; together with (d) all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions (the "Leases") relating to the use and enjoyment of all or any part of the Land and the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; together with (e) all real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in **Exhibit A** or not, which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and the Improvements; together with (f) all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and the Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Mortgage and any manufacturer's warranties with respect thereto; together with (g) all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or the Improvements; together with (h) all of Mortgagor's interest in and to all operating accounts, the proceeds of the Note (as hereinafter defined), whether disbursed or not, and any other bank

accounts of Mortgagor; together with (i) all rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Mortgagor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Mortgagee), which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and the Improvements generally and any builder's or manufacturer's warranties with respect thereto; together with (j) all insurance policies pertaining to the Land and all proceeds that are payable to the Mortgagor, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with (k) all of Mortgagor's rights in and to all Interest Rate Agreements (as hereinafter defined); (l) all books and records pertaining to any and all of the property described above, including computer-readable memory and any computer hardware or software necessary to access and process such memory (collectively, "Books and Records"); together with (m) all proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above. Capitalized terms used above and elsewhere in this Mortgage without definition have the meanings given them in the Covenants Agreement referred to in Subsection 1.2(a)(i) below.

1.2 Secured Obligations.

(a) Mortgagor makes the grant, conveyance, and mortgage set forth in Section 1.1 above, and grants the security interest set forth in Section 3 below for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Mortgagee may choose:

(i) Payment of all obligations at any time owing by the Institution under the Loan Agreement, dated as of March 29, 2019 (the "Loan Agreement"), by and between the Institution and the Bank, the Demand Revolving Line of Credit Note, dated as of March 29, 2019, from the Institution to the Bank, issued pursuant to the Loan Agreement, in the stated principal amount of \$1,000,000 (the "Note"), and the Continuing Covenants Agreement, dated as of March 29, 2019 (the "Covenants Agreement"), by and between the Institution and the Bank, executed in connection with the issuance of the Note; and

(ii) Payment and performance of all obligations of the Institution under this Mortgage; and

(iii) Payment and performance of any obligations of the Institution under any other Financing Documents which are executed by the Institution; and

(iv) Payment and performance of all obligations of the Institution arising from any Interest Rate Agreements, if any. “Interest Rate Agreements” shall mean an interest rate hedging program through the purchase by the Institution from the Bank of an interest rate swap, cap or such other interest rate protection product; and

(v) Payment and performance of all future advances and other obligations that the Institution or any successor in ownership of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee or the Bank; and

(vi) Payment and performance of all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations.

(b) Following the recording of the Mortgage in accordance with the Covenants Agreement, all persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions pursuant to which the interest rate on one or more of the Secured Obligations may vary from time to time.

2. Assignment of Rents.

2.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee all rents, royalties, issues, profits, revenue, income, accounts, proceeds and other benefits of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits (some or all collectively, as the context may require, “Rents”). This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Mortgagee hereby confers upon the Institution a license (the “License”) to collect and retain the Rents as they become due and payable, so long as no Event of Default (as defined in Section 6.2 below) has occurred that has not been waived. If an Event of Default has occurred that has not been waived, Mortgagee shall have the right, which it may choose to exercise in its sole discretion, to terminate the License without notice to or demand upon Mortgagor, and without regard to the adequacy of Mortgagee’s security under this Mortgage.

2.3 Collection and Application of Rents. Subject to the License granted to the Institution under Section 2.2 above, Mortgagee has the right, power and authority to collect any and all Rents. The Institution hereby appoints Mortgagee its attorney-in-fact to perform any and all of the following acts, if and at the times following the occurrence of an Event of Default when Mortgagee in its sole discretion may so choose:

(a) demand, receive and enforce payment of any and all Rents; or (b) give receipts, releases and satisfactions for any and all Rents; or (c) sue either in the name of Mortgagor or in the name of Mortgagee for any and all Rents. Mortgagee and the Institution agree that the mere

recordation of the assignment granted herein entitles Mortgagee immediately to collect and receive rents upon the occurrence of an Event of Default, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing notice to the Institution, filing foreclosure proceedings, or seeking and/or obtaining the appointment of a receiver. Further, Mortgagee's right to the Rents does not depend on whether or not Mortgagee takes possession of the Property as permitted under Subsection 6.3(c). In Mortgagee's sole discretion, Mortgagee may choose to collect Rents either with or without taking possession of the Property. Mortgagee shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default occurs while Mortgagee is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Mortgagee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

2.4 Mortgagee Not Responsible. Under no circumstances shall Mortgagee have any duty to produce Rents from the Property. Regardless of whether or not Mortgagee, in person or by agent, takes actual possession of the Property, unless Mortgagee agrees in writing to the contrary, Mortgagee is not and shall not be deemed to be: (a) a "mortgagee in possession" for any purpose; or (b) responsible for performing any of the obligations of the lessor under any lease; or (c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or (d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

2.5 Leasing. Mortgagor shall not accept any deposit or prepayment of rents under any Leases for any rental period exceeding one (1) month without Mortgagee's prior written consent. Mortgagor shall not lease the Property or any part of it except in accordance with the Covenants Agreement.

3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Mortgage to create a lien on the Property, and an absolute assignment of the Rents, all in favor of Mortgagee. The parties acknowledge that some of the Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be or be determined to be personal property, Mortgagor as debtor hereby grants Mortgagee as secured party a security interest in all such Property and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of New York (the "UCC"), covering all such Property and Rents.

3.2 Financing Statements. Mortgagor shall prepare one or more financing statements and such other documents as Mortgagee may from time to time require to perfect or continue the perfection of Mortgagee's security interest in any Property or the Rents. As provided in Section 5.9 below, Mortgagor shall pay all fees and costs that Mortgagee may incur in filing such documents in public offices and in obtaining such record searches as Mortgagee may reasonably require. In case Mortgagor fails to prepare any financing statements or other documents for the perfection or continuation of any security interest, Mortgagor hereby appoints Mortgagee as its

true and lawful attorney-in-fact to prepare any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Mortgage or the rights or obligations of the parties under it. Notwithstanding anything to the contrary herein, neither this Mortgage nor any financing statement described herein shall be recorded or filed except following a Mortgage Recordation Event in accordance with the Covenants Agreement.

4. **Fixture Filing.**

Upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage constitutes a financing statement filed as a fixture filing under Article 9 of the UCC, as amended or recodified from time to time, covering any Property which now is or later may become fixtures attached to the Land or the Improvements. For this purpose, the respective addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are as set forth in the preambles of this Mortgage.

5. **Rights and Duties of the Parties.**

5.1 **Representations and Warranties.** Mortgagor represents and warrants that as of the date hereof:

(a) Mortgagor lawfully possesses and holds fee simple title to all of the Land and the Improvements;

(b) Mortgagor has or will have good title to all Property;

(c) Mortgagor has the full and unlimited power, right and authority to encumber the Property and assign the Rents pursuant to this Mortgage;

(d) To the best knowledge of the Mortgagor, upon the recording of this Mortgage in accordance with the Covenants Agreement, this Mortgage will create a first and prior lien on the Property located at 4382 Cascade Road and 14 and 37 Wrights Way, Lake Placid, Essex County, State of New York;

(e) The Property includes all property and rights which may be reasonably necessary or desirable to promote the present use and enjoyment of the Land and the Improvements;

(f) Except for the Permitted Liens, Mortgagor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office; and

(g) Mortgagor's place of business, or its chief executive office if it has more than one place of business, is located at the address specified in Section 7.10 below.

5.2 **Taxes, and Assessments.** Mortgagor shall pay prior to delinquency all taxes, levies, charges and assessments, in accordance with the Covenants Agreement.

5.3 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 Liens, Charges and Encumbrances. Except for the encumbrances listed on **Exhibit A** attached hereto (the “Permitted Encumbrances”), Mortgagor shall immediately discharge any lien on the Property which Mortgagee has not consented to in writing in accordance with the Covenants Agreement.

5.5 Damages and Insurance and Condemnation Proceeds. In the event of any casualty or condemnation of the Property, the provisions of the Loan Agreement shall govern.

5.6 Maintenance and Preservation of Property.

(a) Mortgagor shall insure the Property as required by the Loan Agreement and the Covenants Agreement and keep the Property in good condition and repair.

(b) Mortgagor shall not remove or demolish the Property or any part of it, or alter, restore or add to the Property, or initiate or acquiesce to any change or variance in any zoning or other Land use classification which affects the Property or any part of it, except with Mortgagee’s express prior written consent in each instance.

(c) If all or part of the Property becomes damaged or destroyed, Mortgagor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Mortgagee agrees to disburse proceeds of the Note or other sums to pay costs of the work of repair or reconstruction under the Loan Agreement; provided, however, that Mortgagee shall permit Mortgagor to utilize any insurance proceeds paid in connection with such damage or destruction to perform such repairs and reconstruction.

(d) Mortgagor shall not commit or allow any act upon or use of the Property which would violate: (i) any applicable laws or order of any governmental authority, whether now existing or later to be enacted and whether foreseen or unforeseen; or (ii) any public or private covenant, condition, restriction or equitable servitude affecting the Property. Mortgagor shall not bring or keep any article on the Property or cause or allow any condition to exist on it, if that would invalidate or be prohibited by any insurance coverage required to be maintained by Mortgagor on the Property or any part of it under the Loan Agreement or the Covenants Agreement.

(e) Mortgagor shall not commit or allow waste of the Property.

(f) Mortgagor shall perform all other reasonable acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value.

5.7 Releases, Extensions, Modifications and Additional Security. From time to time, Mortgagee may perform any of the following acts without incurring any liability or giving notice to any person:

(a) Release any person liable for payment of any Secured Obligation;

(b) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;

(c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;

(d) Alter, substitute or release any property securing the Secured Obligations, except for the disposal of obsolete property in the ordinary course of operations;

(e) Consent to the making of any plat or map of the Property or any part of it;

(f) Join in granting any easement or creating any restriction affecting the Property; or

(g) Join in any subordination or other agreement affecting this Mortgage or the lien of it; or

(h) Release the Property or any part of it.

5.8 Release. When all of the Secured Obligations have been paid in full and all fees and other sums owed by Mortgagor under Section 5.9 of this Mortgage and the other Financing Documents have been received, Mortgagee shall release this Mortgage, the lien created thereby, and all notes and instruments evidencing the Secured Obligations. Mortgagor shall pay any costs of preparation and recordation of such release.

5.9 Compensation, Exculpation, Indemnification.

(a) Mortgagor agrees to pay reasonable fees as may be charged by Mortgagee to the extent permitted by applicable law, for any services that Mortgagee may render in connection with this Mortgage, including Mortgagee's providing a statement of the Secured Obligations or providing the release pursuant to Section 5.8 above. Mortgagor shall also pay or reimburse all of Mortgagee's reasonable costs and expenses which may be incurred in rendering any such services to the extent the same are not otherwise included in the applicable fees paid to Mortgagee. Mortgagor further agrees to pay or reimburse Mortgagee for all reasonable costs, expenses and other advances which may be incurred or made by Mortgagee in any efforts to enforce any terms of this Mortgage, including any rights or remedies afforded to Mortgagee under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Mortgage, including reasonable attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Subsection 6.3(i) below) and any cost of evidence of title. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Mortgagor shall pay all reasonable costs, expenses or other advances that may be incurred or made by Mortgagee in each such Foreclosure Sale. In any suit to foreclose the lien hereof or enforce any other remedy of Mortgagee under this Mortgage or the other Financing Documents, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or

architect's fees, fees for environmental studies and assessments and all reasonable additional expenses incurred by Mortgagee with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Property. All expenditures and expenses of the nature in this Subsection mentioned, and such reasonable expenses and fees as may be incurred in the protection of the Property and maintenance of the lien of this Mortgage, including the reasonable attorney's costs and fees (including the reasonable costs and fees of paralegals) employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the other Financing Documents or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the highest rate payable under the Loan Agreement and shall be secured by this Mortgage.

(b) Mortgagee shall not be directly or indirectly liable to Mortgagor as a consequence (except to the extent attributable to Mortgagee's gross negligence or willful misconduct) of any of the following:

(i) Mortgagee's exercise of or failure to exercise any rights, remedies or powers granted to Mortgagee in this Mortgage;

(ii) Mortgagee's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or

(iii) Any loss sustained by Mortgagor or any third party resulting from Mortgagee's failure to lease the Property, or from any other act or omission of Mortgagee in managing the Property, after an Event of Default, unless the loss is caused by the willful misconduct, bad faith and gross negligence of Mortgagee.

Except to the extent attributable to Mortgagee's gross negligence or willful misconduct, Mortgagor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Mortgagee.

(c) Mortgagor agrees to indemnify Mortgagee against and hold it harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, reasonable attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which it may suffer or incur (except to the extent attributable to Mortgagee's gross negligence or willful misconduct):

(i) In performing any act required by or expressly permitted under this Mortgage or any of the other Financing Documents or by law in connection with the Property;

(ii) Because of any failure of Mortgagor to perform any of its obligations under the Financing Documents; or

(iii) Because of any alleged obligation of or undertaking by Mortgagee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document involving the Property other than the Financing Documents.

This agreement by Mortgagor to indemnify Mortgagee shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Mortgage.

(d) Mortgagor shall pay all obligations to pay money arising under this Section 5.9 immediately upon demand by Mortgagee. Each such obligation shall be added to, and considered to be part of, the amount due pursuant to the Financing Documents, and shall bear interest from the date the obligation arises at the highest rate payable under the Loan Agreement.

5.10 Defense and Notice of Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Mortgage and the rights and powers of Mortgagee created under it, against all adverse claims. Mortgagor shall give Mortgagee prompt notice in writing if any claim is asserted which does or could affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.11 Subrogation. Mortgagee shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Mortgagee in accordance with this Mortgage or with the proceeds of any obligation secured by this Mortgage.

5.12 Site Visits, Observation and Testing. Mortgagee and its agents and representatives shall have the right at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred that has not been waived, in which event the notice and hour provisions shall not apply, to enter and visit the Property for the purpose of performing appraisals, observing the Property, taking and removing soil or groundwater samples, and conducting tests on any part of the Property. Mortgagee has no duty, however, to visit or observe the Property or to conduct tests, and no site visit, observation or testing by Mortgagee, its agents or representatives shall impose any liability on any of Mortgagee, its agents or representatives. In no event shall any site visit, observation or testing by Mortgagee, its agents or representatives be a representation that Hazardous Materials are or are not present in, on or under the Property, or that there has been or shall be compliance with any law, regulation or ordinance pertaining to Hazardous Material or any other applicable governmental law. Neither Mortgagor nor any other party is entitled to rely on any site visit, observation or testing by any of Mortgagee, its agents or representatives. Neither Mortgagee, its agents or representatives owe any duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Hazardous Material or any other adverse condition affecting the Property except those arising or resulting solely from Mortgagee's gross negligence or willful misconduct. Mortgagee shall make reasonable efforts to avoid interfering with Mortgagor's use of the Property in exercising any rights provided in this Section 5.12.

5.13 Notice of Change. Mortgagor shall give Mortgagee prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Property, including the Books and Records, except for property disposed of in accordance with the Financing Documents; and (c) Mortgagor's name or business structure. Unless otherwise approved by Mortgagee in writing, all Property that consists of personal property (other than the Books and Records) will be located on the Land and all Books and Records will be located at Mortgagor's place of business or chief executive office, if Mortgagor has more than one place of business.

6. Accelerating Transfers, Default and Remedies.

6.1 Accelerating Transfers.

(a) "Accelerating Transfer" means any transfer of the Property not expressly permitted under the Financing Documents.

(b) Mortgagor acknowledges that Mortgagee is making one or more advances under the Loan Agreement in reliance on the expertise, skill and experience of Mortgagor; thus, the Secured Obligations include material elements similar in nature to a personal service contract. In consideration of Mortgagee's reliance, Mortgagor agrees that Mortgagor shall not make any Accelerating Transfer, unless the transfer is preceded by Mortgagee's express written consent to the particular transaction and transferee. Mortgagee may withhold such consent in its sole discretion. If any Accelerating Transfer occurs, Mortgagee in its sole discretion may declare all of the Secured Obligations to be immediately due and payable, and Mortgagee may invoke any rights and remedies provided by Section 6.3 of this Mortgage.

6.2 Events of Default. Mortgagor will be in default under this Mortgage upon the occurrence of any one or more of the following events (some or all collectively, "Events of Default;" any one singly, an "Event of Default").

(a) Failure of Mortgagor to (i) make any payment of principal or interest due pursuant to the Note, as and when the same is due and payable, (ii) observe or perform any of its obligations under the Loan Agreement beyond any applicable cure periods, (iii) observe or perform any other covenants or conditions by Mortgagor to be performed under the terms of this Mortgage or any of the other Financing Documents concerning the payment of money, for a period of ten (10) days after written notice from Mortgagee that the same is due and payable; or (iv) for a period of thirty (30) days after written notice from Mortgagee, to observe or perform any non-monetary covenant or condition contained in this Mortgage or any of the other Financing Documents, provided that if any such failure concerning a non-monetary covenant or condition is susceptible to cure but cannot reasonably be cured within said thirty (30) day period, then Mortgagor shall have an additional thirty (30) day period to cure such failure and no Event of Default shall be deemed to exist hereunder so long as (x) Mortgagor commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion within such resulting sixty (60) day period from the date of Mortgagee's notice, and (y) the existence of such uncured default will not result in any tenant under a lease having the right to terminate such lease due to such uncured default, and provided further that if a different notice or grace period is specified under the Loan Agreement (or elsewhere in this Mortgage or

the Loan Agreement) in which such particular breach will become an Event of Default, the specific provision shall control;

(b) An “Event of Default” occurs under the Loan Agreement or any other Financing Document and is not waived.

6.3 Remedies. At any time after an Event of Default that has not been waived, Mortgagee shall be entitled to invoke any and all of the rights and remedies described below, to the extent permitted by applicable laws, in addition to all other rights and remedies available to Mortgagee at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration. Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver. Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Mortgagee would have, upon entering and taking possession of the Property under subsection (c) below.

(c) Entry. Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor’s or the then owner’s Books and Records; entering into, enforcing, modifying or canceling Leases on such terms and conditions as Mortgagee may consider proper and in accordance with the lease agreements; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Mortgagee; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Mortgagor shall assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor’s attorney-in-fact to perform such acts and execute such documents as Mortgagee in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor’s name on any instruments.

(d) Cure; Protection of Security. Mortgagee may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it may in its sole discretion consider

necessary and appropriate to protect the security of this Mortgage, including, without limitation, completing construction of the improvements at the Property contemplated by the Loan Agreement. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's sole judgment is or may be senior in priority to this Mortgage, such judgment of Mortgagee to be conclusive as among the parties to this Mortgage, except for the Permitted Encumbrances; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Loan Agreement; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Subsection 6.3(d) either with or without giving notice to any person. Any amounts expended by Mortgagee under this Subsection 6.3(d) shall be secured by this Mortgage.

(e) Uniform Commercial Code Remedies. Mortgagee may exercise any or all of the remedies granted to a secured party under the UCC.

(f) Foreclosure; Lawsuits. Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Property at any foreclosure or other sale hereunder, and the amount of Mortgagee's successful bid shall be credited on the Secured Obligations. Without limiting the foregoing, Mortgagee may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction. In addition to the right provided in Subsection 6.3(b), upon, or at any time after the filing of a complaint to foreclose this Mortgage, Mortgagee shall be entitled to the appointment of a receiver of the property by the court in which such complaint is filed, and Mortgagor hereby consents to such appointment.

(g) Other Remedies. Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the Secured Obligations or any part thereof, without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor. Mortgagee shall have the right to pursue all remedies afforded to a mortgagee under applicable law, and shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof.

(h) Sale of Personal Property. Mortgagee shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) For purposes of this power of sale, Mortgagee may elect to treat as personal property any Property which is intangible or which can be severed from the Land or the Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose

of any personal property, in any manner permitted by Article 9 of the UCC, including any public or private sale, or in any manner permitted by any other applicable law.

(ii) In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Mortgagee shall mail written notice of the sale to Mortgagor not later than thirty (30) days prior to such sale. Mortgagee will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Mortgagee will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding the foregoing, Mortgagee shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(i) Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, Mortgagee may in a commercially reasonable manner:

(i) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(ii) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale;" and any two or more, "Foreclosure Sales").

If Mortgagee chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Mortgagee may deem to be in its best interests. No Foreclosure Sale shall terminate the liens of this Mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.4 Credit Bids. At any Foreclosure Sale, any person, including Mortgagor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Mortgagee may settle for the purchase price by crediting the sales price of the property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to pay or reimburse Mortgagee under Section 5.9 of this Mortgage; and

(b) Second, all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose.

6.5 Application of Foreclosure Sale Proceeds. Mortgagee shall apply the proceeds of any Foreclosure Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Mortgagee under Section 5.9 of this Mortgage;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Mortgagee under the terms of this Mortgage which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

6.6 Application of Rents and Other Sums. Mortgagee shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Mortgagee may receive or collect under Section 6.3 above, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the reasonable costs and expenses of operation and collection that may be incurred by Mortgagee or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it under applicable law.

Mortgagee shall have no liability for any funds which it does not actually receive.

7. Miscellaneous Provisions.

7.1 Additional Provisions. The Financing Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Financing Documents also grant further rights to Mortgagee and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

7.2 No Waiver or Cure.

(a) Each waiver by Mortgagee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Mortgagee to take action on account of any default of Mortgagor. Consent by Mortgagee to any act or omission by Mortgagor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Financing Documents have been cured); or impair the security of this Mortgage; or prejudice Mortgagee or any receiver in the exercise of any right or remedy afforded any of them under this Mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this Mortgage.

(i) Mortgagee, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Subsection 6.3(c).

(ii) Mortgagee collects and applies Rents as permitted under Sections 2.3 and 6.6 above, either with or without taking possession of all or any part of the Property.

(iii) Mortgagee receives and applies to any Secured Obligation any proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Mortgagee under Section 5.5 above.

(iv) Mortgagee makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.12 above.

(v) Mortgagee receives any sums under this Mortgage or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(vi) Mortgagee or any receiver invokes any right or remedy provided under this Mortgage.

7.3 Powers of Mortgagee.

(a) If Mortgagee performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 5.7 or Subsection 6.3(d) of this Mortgage, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Mortgagor shall not be released or changed if Mortgagee grants any successor in interest to Mortgagor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Mortgagee shall not be required to comply with any demand by the original Mortgagor that Mortgagee refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Mortgagee may take any of the actions permitted under Subsections 6.3(b) and/or 6.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Mortgage.

(c) From time to time, Mortgagee may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Mortgage. Mortgagee may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

7.4 Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property unless Mortgagee consents to a merger in writing.

7.5 Applicable Law. This Mortgage shall be governed by the laws of the State of New York.

7.6 Successors in Interest. The terms, covenants and conditions of this Mortgage shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 7.6 does not waive the provisions of Section 6.1 above.

7.7 Interpretation.

(a) Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Mortgage are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

(b) The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

(c) No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Mortgage. The Exhibits to this Mortgage are hereby incorporated in this Mortgage.

7.8 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety.

7.9 Severability. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

7.10 Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three Business Days after mailing (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service or (d) if by telecopier on the day of transmission so long as a copy is sent on the same day by overnight courier as set forth below:

Mortgagor: North Country School
4382 Cascade Road
Lake Placid, New York
Attention: Fritz Sabbow, Chief Financial Officer
Telephone: 518-523-9329

With a copy to: Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
Attention: Michael R. Schulman, Esquire
Telephone: 214-740-8612

Bank: Boston Private Bank & Trust Company
10 Post Officer Square
Boston, Massachusetts 02109
Attention: Thatcher L. Freeborn, Senior Vice President
Telephone: 617-912-3629

With a copy to: Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Ben McGuire, Esquire
Telephone: 617-310-6256

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

Any notice or demand delivered to the person or entity named above to accept notices and demands for Mortgagor shall constitute notice or demand duly delivered to Mortgagor, even if delivery is refused.

7.11 Future Advances. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements that Mortgagee may, but shall not be obligated to, make under this Mortgage, the Financing Documents or any other document with respect thereto) at any one time outstanding may be substantially less but shall not exceed One Million and 00/100 Dollars (\$1,000,000.00), plus interest thereon, and any disbursements made for the enforcement of this Mortgage and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Property and interest on such disbursements and all disbursements by

Mortgagee pursuant to applicable law (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

7.12 Mortgagee's Lien for Service Charge and Expenses. At all times, regardless of whether any Note proceeds have been disbursed, this Mortgage secures (in addition to any Note proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee not to exceed the maximum amount secured hereby. For purposes hereof, all obligations of Mortgagor to Mortgagee under all Interest Rate Agreements and any indebtedness or obligation contained therein or evidenced thereby shall be considered an obligation of Mortgagor secured hereby.

7.13 Payment of Mortgage Taxes. Mortgagor shall pay all taxes imposed pursuant to Article 11 of the Tax Law or any other statute, order or regulation, whether said tax is imposed at the time of recording or subsequent thereto, if applicable. This obligation shall survive the satisfaction or other termination of this Mortgage.

7.14 Real Property Law. All covenants hereof, which are in addition to those set forth in Sections 254 and 291-f of the Real Property Law, shall be construed as affording to Mortgagee rights additional to, and not exclusive of, the rights conferred under the provisions of said Sections 254 and 291-f.

7.15 Environmental Warranties and Covenants.

(a) Warranties. Mortgagor makes the following representations and warranties: (i) except as previously disclosed in writing by Mortgagor to Mortgagee, Mortgagor (or the present owner of the Land, if different) is in compliance in all respects with all applicable federal, state and local laws and regulations, including, without limitation, those relating to hazardous substances (the "Environmental Laws"), (ii) except as previously disclosed in writing by Mortgagor to Mortgagee, to Mortgagor's knowledge, no portion of the Land is being used or has been used at any previous time, for the disposal, storage, treatment, processing or other handling of any hazardous substances, in a manner not in compliance with the Environmental Laws, (iii) except as previously disclosed in writing by Mortgagor to Mortgagee, the soil and any surface water and ground water which are a part of the Land are free from any solid wastes, hazardous substance or contaminant and any discharge of sewage or effluent in all cases in a condition which requires investigation, removal or remediation under Environmental Laws; and (iv) except as previously disclosed in writing by Mortgagor to Mortgagee, neither the federal government nor the State of New York Department of Environmental Conservation or any other governmental or quasi governmental entity has filed a lien on the Land, nor are there any governmental, judicial or administrative actions with respect to environmental matters pending, or to Mortgagor's actual knowledge, threatened, which involve the Land.

(b) Inspection. Mortgagor agrees that Mortgagee or its agents or representatives may, at Mortgagor's expense and at any reasonable time upon advance notice and during normal business hours, unless an emergency or Event of Default has occurred and is

continuing, in which event the notice and hour provisions shall not apply, inspect Mortgagor's Books and Records and inspect and, upon Mortgagee's reasonable belief that Mortgagor is in violation of the provisions of this Section 7.15, conduct any tests on the Land reasonably recommended by an environmental professional including taking soil samples in order to determine whether Mortgagor is in continuing compliance with the Environmental Laws.

(c) Agreement to Comply. If any environmental contamination is found on the Property for which any removal or remedial action is required of the owner or operator of the Land pursuant to Environmental Law, Mortgagor agrees that it will at its sole cost and expense, take such removal or remedial action promptly and to Mortgagee's satisfaction.

(d) Indemnification. Mortgagor agrees to defend, indemnify and hold harmless Mortgagee, its employees, agents, officers and directors from and against any claims, actions, demands, penalties, fines, liabilities, settlements, damages, costs or expenses (including, without limitation, reasonable attorney and consultant fees, investigations and laboratory fees, court costs and litigation expenses of whatever kind or nature known or unknown, contingent or otherwise) arising out of or in any way related to: (i) the past or present disposal, release or threatened release of any hazardous substances on the Land; (ii) any personal injury (including wrongful death or property damage, real or personal) arising out of or related to such hazardous substances; (iii) any lawsuit brought or threatened, settlement reached or government order given relating to such hazardous substances; and/or (iv) any violation of any law, order, regulation, requirement, or demand of any government authority, which are based upon such hazardous substances, but shall not include any conditions arising out of hazardous materials first released or disposed or violations of Environmental Laws first occurring after Mortgagee takes possession or title to the Land through foreclosure or acceptance of a deed in lieu of foreclosure.

(e) Other Sites. Mortgagor knows of no on-site or off-site locations where hazardous substances from the operation of any Improvement or otherwise have been stored, treated, recycled or disposed of in violation of Environmental Laws.

(f) Leases. Mortgagor agrees not to lease or permit the sublease of the Property to a tenant or subtenant whose operations are reasonably anticipated to result in contamination of the Property with hazardous substances.

(g) Non-Operation by Mortgagee. Mortgagor acknowledges that any action Mortgagee takes under this Mortgage shall be taken to protect Mortgagee's security interest only; Mortgagee does not hereby intend to be involved in the operations of Mortgagor.

(h) Compliance Determinations. Mortgagor acknowledges that any determinations Mortgagee makes under this Section regarding compliance with environmental laws shall be made for Mortgagee's benefit only and are not intended to be relied upon by any other party.

(i) Survival of Conditions. The provisions of this Section shall be in addition to any other obligations and liabilities Mortgagor may have to Mortgagee at common law, and shall survive the transactions contemplated herein.

(j) Definitions. The term “hazardous substance” shall include, without limit, any substance or material defined in 42 U.S.C. Section 9601 (as the same may be amended from time to time), and the New York Environmental Conservation Law or the Resource Conservation And Recovery Act (as each may be amended from time to time) and in any regulations adopted or publications promulgated pursuant to any of the foregoing.

7.16 Costs, Expenses And Attorney’s Fees. Should one or more Events of Default occur hereunder, and should an action be commenced for the foreclosure of this Mortgage, Mortgagee shall be entitled to recover all sums due hereunder, statutory costs, and any additional allowances made pursuant to Section 8303(a) of the Civil Practice Law and Rules of the State of New York, and in addition thereto, reasonable attorneys’ fees in such proceeding and in all proceedings related thereto necessary to and related to the foreclosing proceeding, and such amount shall be added to the principal balance and interest then due and shall be a lien on the Property prior to any right or title to, interest in or claim upon the Property attaching and accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and the indebtedness which it secures.

7.17 Tax Law Section 253 Statement. Check one box only.

This Mortgage covers real property principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having their own separate cooking facilities.

This Mortgage does not cover real property improved as described above.

Where used herein, the word, “Mortgagor” may be read “Mortgagors” where applicable.

7.18 WAIVER OF TRIAL BY JURY. MORTGAGOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION ARISING IN ANY WAY IN CONNECTION WITH THIS MORTGAGE, THE LOAN AGREEMENT, OR ANY OF THE OTHER FINANCING DOCUMENTS, THE NOTE OR ANY OTHER STATEMENTS OR ACTIONS OF MORTGAGOR OR MORTGAGEE. MORTGAGOR ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS DISCUSSED THIS WAIVER WITH SUCH LEGAL COUNSEL. MORTGAGOR FURTHER ACKNOWLEDGES THAT (i) IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER, (ii) THIS WAIVER IS A MATERIAL INDUCEMENT FOR MORTGAGEE TO ENTER INTO THIS MORTGAGE AND EACH OF THE OTHER FINANCING DOCUMENTS, AND (iii) THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF SUCH OTHER FINANCING DOCUMENTS AS IF FULLY INCORPORATED THEREIN.

7.19 Inconsistencies. In the event of any inconsistency between this Mortgage and the Loan Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid security interest upon the Property, otherwise the provisions of the Loan Agreement shall be controlling.

7.20 UCC Financing Statements. Mortgagor hereby authorizes Mortgagee to file UCC financing statements to perfect Mortgagee's security interest in any part of the Property. In addition, Mortgagor agrees to sign any and all other documents that Mortgagee deems necessary in its sole discretion to perfect, protect, and continue Mortgagee's lien and security interest on the Property.

7.21 Recording. The Bank is authorized to record this Mortgage, at any time on or after the occurrence of Mortgage Recordation Event, as further described in the Covenants Agreement.


7.22 Parity Mortgage. Mortgagor is granting a mortgage on the Property to the Essex County Capital Resource Corporation (the "Issuer") on the date hereof, pursuant to the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of the date hereof from Mortgagor to the Issuer, and assigned to the Bank pursuant to an Assignment of Mortgage, dated as of the date hereof, from the Issuer to the Bank, securing certain revenue bonds issued by the Issuer and purchased by the Bank, the proceeds of which were loaned to the Institution (the "Bonds Mortgage"), which is a Permitted Lien. This Mortgage is granted to Mortgagee on parity with the Bonds Mortgage.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

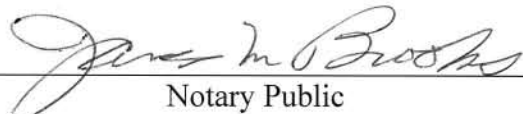
MORTGAGOR:

NORTH COUNTRY SCHOOL

By: 
David Hochschartner
Executive Director

STATE OF NEW YORK)
COUNTY OF ESSEX) ss.:

On the 24th day of March in the year 2019 before me, the undersigned, personally appeared David Hochschartner, Executive Director of North Country School, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

JAMES M. BROOKS
Notary Public, State of New York
No. 02BR4974350
Qualified in Essex County
Commission Expires November 13, 2022

EXHIBIT A
Description of Land

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;

THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;

THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;

THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;

THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;

THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;

THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;

THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;

THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

(Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

(Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

(The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

(Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot

Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

(Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly

along the East line of said tract to the Northeast corner thereof; thence Westerly along the Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

(Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;
Thence, South $85^{\circ} 13' 32''$ East, 264.00 feet along the north line of the parcel to a point marked by a $5/8$ inch iron rod, said course passing through a $5/8$ inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;
Thence, South $04^{\circ} 46' 20''$ West, 165.00 feet along the east line of the parcel to a point marked by a $5/8$ inch iron rod;
Thence, North $85^{\circ} 13' 32''$ West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a $5/8$ inch iron rod line marker at a distance of 163.68 feet;
Thence, North $04^{\circ} 46' 28''$ East, 165.00 feet along the west line of the parcel to the Point of Beginning.

(Containing therein 1.00 acre, more or less.)

ACTIVE 41920085v3

Transcript Document No. 36

Insurance Certificate(s)



NORTC1C

OP ID: JB

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/20/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Austin & Co., Inc. 20 Corporate Woods Blvd. Albany, NY 12211-2366 Michael J. Brooks	518-465-3591		CONTACT NAME: Michael J. Brooks
			PHONE (A/C, No, Ext): 518-465-3591 FAX (A/C, No): 518-465-3968
			E-MAIL ADDRESS: mbrooks@austin-co.com
			INSURER(S) AFFORDING COVERAGE NAIC #
			INSURER A : United Educators Insurance 10020
			INSURER B : Travelers Indemnity Company 25658
			INSURER C : Pennsylvania Manufacturers 41424
			INSURER D :
			INSURER E :
			INSURER F :

INSURED North Country School, Inc. & Camp Treetops
4382 Cascade Road
Lake Placid, NY 12946

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:


THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	<input checked="" type="checkbox"/>		R0276F	11/01/2018	11/01/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Emp Ben. \$ 1,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			BA102D2727	11/01/2018	11/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			R0276F	11/01/2018	11/01/2019	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000 DED <input checked="" type="checkbox"/> RETENTION \$ 10000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/>	N/A	2018016284376	07/01/2018	07/01/2019	PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Per Policy Terms, Conditions and Exclusions. Boston Private Bank & Trust Company is included as an Additional Insured on the General Liability policy, with regard to the line of credit documents and the Continuing Covenants Agreement relating to bond financing, if required by written contract.

CERTIFICATE HOLDER CANCELLATION

Boston Private Bank & Trust Company 10 Post Office Square Boston, MA 02109	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

**EVIDENCE OF PROPERTY INSURANCE**DATE (MM/DD/YYYY)
03/20/2019

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Austin & Co., Inc. 20 Corporate Woods Blvd. Albany, NY 12211-2366 Michael J. Brooks		PHONE (A/C, No., Ext): 518-465-3591	COMPANY Travelers Indemnity Company P.O. Box 26385 Richmond, VA 23260-6385	
FAX (A/C, No): 518-465-3968	E-MAIL ADDRESS:			
CODE: 0HF107	SUB CODE:			
AGENCY CUSTOMER ID #: NORTC1C		LOAN NUMBER		POLICY NUMBER Y630144C370A
INSURED North Country School, Inc. & Camp Treetops 4382 Cascade Road Lake Placid, NY 12946		EFFECTIVE DATE 11/01/18	EXPIRATION DATE 11/01/19	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
THIS REPLACES PRIOR EVIDENCE DATED:				

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Blanket Building & Business Personal Property Special Form, Replacement Cost, Agreed Amount Including Theft	23143700	25000


REMARKS (Including Special Conditions)

Per Policy Terms, Conditions and Exclusions. Boston Private Bank & Trust Company is included as a Mortgagee/Loss Payee with regards to the line of credit documents and the Continuing Covenants Agreement relating to bond financing.

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Boston Private Bank & Trust Company 10 Post Office Square Boston, MA 02109	<input checked="" type="checkbox"/> MORTGAGEE	<input type="checkbox"/> ADDITIONAL INSURED
	<input checked="" type="checkbox"/> LOSS PAYEE	
LOAN #		
AUTHORIZED REPRESENTATIVE 		

Transcript Document No. 37

UCC and Title Search Reports



80 State Street, 10th Floor
 Albany, NY 12207
 Phone: 518-436-9711 / Fax: 518-436-0891

Transaction Type	Order Type	Product Type	Policy Type
Other	Title only	Informational	
Order No.:	CT19-00201-NCS		
Order Opened Date:	January 30, 2019	Order Opened By:	Linda A. Pranchak
Sales Price:	\$0.00	Loan Amount(s):	\$0.00

PROPERTY(IES):
Cascade Road, North Elba, Essex County, NY
Property Type: 1-2 Family Tax/Map ID(s): 52.4-1-12
4376 Cascade Road, North Elba, Essex County, NY
Property Type: Single Family Tax/Map ID(s): 52.4-1-21
37 Wrights Way, North Elba, Essex County, NY
Property Type: Single Family Tax/Map ID(s): 52.4-1-7.1
Cascade Road, North Elba, Essex County, NY
Property Type: Vacant Land Tax/Map ID(s): 52.4-1-27.029
4375 Cascade Road, North Elba, Essex County, NY
Property Type: Commercial/Industrial Tax/Map ID(s): 52.4-1-22
4382 Cascade Road, North Elba, Essex County, NY
Property Type: Commercial/Industrial Tax/Map ID(s): 52.4-1-11

PURCHASER: North Country School, Inc.

SELLER:

TITLE COMPANY: Chicago Title Insurance Services, LLC
 Chicago Title Insurance Services, LLC
 80 State Street, 10th Floor
 Albany, NY 12207
 Phone: 518-436-9711 Fax: 518-436-0891
 Email:

TITLE COMPANY: (Applicant) Chicago Title Insurance Company
 Chicago Title Insurance Company
 2828 Routh Street, Suite 800
 Dallas, TX 75201
 Phone: (214)303-5300 Fax: (214)965-1621
 Email: CCrenshaw@cct.com



CT19-00201-NCS

Remit Payment To:

Chicago Title Insurance Services, LLC
80 State Street, 10th Floor
Albany, NY 12207

Chicago Title Insurance Company
2828 Routh Street, Suite 800
Dallas , TX 75201

INVOICE
Due upon receipt

Order Number:	CT19-00201-NCS	Invoice Date:	3/27/2019
		Invoice Number:	CT19-00201-NCS-1
		Operation:	01010.435181
Buyer/Borrower(s):	North Country School, Inc.	Seller(s):	

- Property Description (1):**
Cascade Road, North Elba, NY
- Property Description (2):**
4376 Cascade Road, North Elba, NY
- Property Description (3):**
37 Wrights Way, North Elba, NY
- Property Description (4):**
Cascade Road, North Elba, NY
- Property Description (5):**
4375 Cascade Road, North Elba, NY
- Property Description (6):**
4382 Cascade Road, North Elba, NY

Acct Code	Description	Amount
5500	Report Prep Charges-Non Taxable	900.00
Invoice total amount due:		\$900.00

Invoice Notes: The liability of this Company for this search is limited to \$5,000.00

**Thank you for the opportunity to serve you.
Please return a copy of this invoice with your payment**

**COMMERCIAL AFFIDAVIT OF
TITLE/GAP INDEMNITY**

STATE OF NEW YORK

Order No.: CT19-00201-NCS

COUNTY OF _____

I/We, _____, being the _____ of North Country School, Inc. (the "Owner") and being duly sworn, depose and say:

- A. No work has been contracted to be made or done or materials supplied for construction, repairs, alteration, or renovation in connection with the property (the "Property") more particularly described in the commitment for insurance described on Exhibit "A" annexed hereto (the "Commitment") within the last one hundred twenty (120) days which has not been paid for, including, without limitation, architect's fees, if any. There are no outstanding or disputed claims for such work or material. The Owner will indemnify Chicago Title Insurance Company (the "Company") harmless from and against any claim or liability in connection with any mechanic's lien which may arise out of such work done or materials supplied.
- B. A complete list of all parties in possession ("Tenants") of any portion of the Property is attached hereto and made part hereof as Exhibit "B" annexed hereto.
- C. No parties have any options or other rights to purchase all or part of the Property.
- D. No work has been done or notice received that work is to be done by the municipality in which the property is situated or at its direction, including, but not limited to, the installation of water or sewer lines, or for improvements such as paving or repairing of streets or alleys, or the installation of curbs or sidewalks.
- E. All real estate taxes due and payable with respect to the Property are paid in full. All water and sewer rents due and payable with respect to the Property are paid in full.
- F. To the best knowledge of the undersigned, there have been no violations of any covenants, conditions or restrictions of record affecting the Property and there are no disputes with any adjoining property owners as to the location of property lines or the encroachment of any improvements.
- G. The Owner has not executed or permitted anyone on behalf of it to execute any conveyance, mortgage, lien, deed of trust, lease, easement or encumbrance of any kind on or upon the Property, nor does the Owner have any knowledge of any of the foregoing, other than the matters set forth in the Commitment. The Owner has peaceably occupied the Property and has no knowledge of any adverse matters or claims affecting the title thereto not otherwise set forth in the Commitment or by reason of which any claim to the property or any portion thereof might be adversely affected.
- H. The Owner shall indemnify and hold the Company harmless from and against any unpaid real estate taxes, corporate income taxes, settled or unsettled taxes, franchise taxes, charges, assessments, water and sewer, unpaid special assessments of items such as improvements for sidewalks, curbs or gutters not shown as existing liens in the public records, or any Bulk Sales Taxes which are a lien on the Property on the date of closing.
- I. The Owner shall indemnify and hold the Company harmless from and against any claim or liability and promptly proceed to remove, bond or otherwise dispose of record any encumbrance, lien or matter objectionable to title which may arise or be filed against the Property during the period between the date of the last update of the Commitment for the Property and the date of recording of the insured documents.
- J. The Owner shall indemnify and hold the Company harmless from and against any and all per diem charges that may be due in connection with the payoff of any mortgages/deeds of trust affecting the Property.

COMMERCIAL AFFIDAVIT OF TITLE/GAP INDEMNITY

(continued)

- K. The Owner has not entered into any agreement with any broker for the management, sale, purchase, lease or mortgage or other conveyance of the Property which could result in a lien for which said broker has not been paid. No notice of lien for any such services has been received by the Owner.
- L. There has been no change in the Property since the date of the latest complete ALTA survey with respect thereto provided to the Company.

The undersigned is an officer of North Country School, Inc. familiar with the facts herein referenced, and is authorized to execute this affidavit on behalf of said entity. This affidavit is given to induce the Company to issue owner's and loan policies of title insurance.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

North Country School, Inc.

Signature

By: _____
Print Name

Its: _____
Print Title

Sworn to before me this _____ day of _____, 20____.

Notary Public

CERTIFICATE FOR TITLE INSURANCE

Issued By:



**CHICAGO TITLE
INSURANCE COMPANY**

Title Number:

CT19-00201-NCS

Chicago Title Insurance Company, a Florida corporation, herein called the Company, certifies to the Applicant that an examination of title to premises described in Schedule A has been made in accordance with its usual procedure and agrees to issue the Owner's or Lender's form of insurance policy as modified by the New York Coverage Endorsements in the amount and for the transaction set forth herein and subject to the exclusions from coverage and the conditions and stipulations therein contained.

After the closing of the transaction, in conformance with the requirements and procedures of the Company, the Company will issue the policy and except (i) all loss or damage by reason of the estates, interests, defects, objection, liens, encumbrances and other matters set forth in Schedule B herein that are not disposed of to the satisfaction of the Company prior to such closing or issuance of the policy (ii) any questions or objections coming to the attention of the Company before the date of closing, or if there be no closing, before the issuance of the policy.

IN WITNESS WHEREOF, Chicago Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

Questions concerning the within Certificate should be directed to:

Underwriter's Name and Phone No.: Michael J. Naegeli
518-436-9711
Michael.Naegeli@ctt.com

Issued by:
Chicago Title Insurance Services, LLC
80 State Street, 10th Floor
Albany, NY 12207

Dated: January 20, 2019

Certified by:

Michael J. Naegeli



Chicago Title Insurance Company

By:

President

Attest:

Secretary

Redated by:

Cascade Road, North Elba, NY
4376 Cascade Road, North Elba, NY
37 Wrights Way, North Elba, NY
Cascade Road, North Elba, NY
4375 Cascade Road, North Elba, NY

CHICAGO TITLE INSURANCE COMPANY

TITLE NO. CT19-00201-NCS

4382 Cascade Road, North Elba, NY

This report is not a title insurance policy! Please read it carefully. The report may set forth exclusions under the title insurance policy and may not list all liens, defects, and encumbrances affecting title to the property. You should consider this information carefully.

FOR TITLE INQUIRIES, CONTACT:
Michael J. Naegeli
Chicago Title Insurance Services, LLC
80 State Street, 10th Floor
Albany, NY 12207
Phone: 518-436-9711
E-mail: Michael.Naegeli@ctt.com

SCHEDULE A

- 1. Effective Date: January 20, 2019
- 2. Policy or Policies to be issued:

Amount of Insurance: \$0.00

Proposed Insured: North Country School, Inc.

The following endorsements will be provided with the policy:

Amount of Insurance: \$0.00

Proposed Insured:

Borrower: North Country School, Inc.

The following endorsements will be provided with the policy:

- 3. The estate or interest in the land described or referred to in this certificate and covered herein is:
Fee Simple

SCHEDULE A

(Continued)

4. Title to said estate or interest in said land at the effective date hereof vested in:

North Country School, Inc., a New York educational corporation

acquired title in the following seven (7) deeds:

As to Parcel A: (Tax Parcel 52.4-1-7.1)

Deed from Round Lake Cottage, LLC dated August 21, 2015 and recorded September 3, 2015 in Liber 1811 at Page 71.

As to Parcel B: (Tax Parcel 52.4-1-12)

Deed from Helen Lacy Haskell dated September 29, 1980 and recorded November 14, 1980 in Liber 720 at Page 130.

As to Parcel C: (Tax Parcel 52.4-1-21)

Deed from Susan A. Hansen dated July 15, 2005 and recorded July 18, 2005 in Liber 1452 at Page 184.

As to Parcel D: (Tax Parcel 52.4-1-22)

Deed from Paul Grillo and Audrey Grillo dated January 12, 1972 and recorded January 14, 1972 in Liber 508 at Page 200

As to Parcel E: (Tax Parcel 52.4-1-11)

Deed from Tree-North Corporation dated November __, 1957 and recorded December 3, 1957 in Liber 355 at Page 115 as corrected in Liber 356 at Page 342, As to Parcel E-1, and Deed from Leonard Bala, as Administrator of the estate of Jan C. Travis f/k/a Chester J. Jankowski dated February 28, 2003 and recorded March 13, 2003 in Liber 1354 at Page 73, As to Parcel E-2.

As to Parcel F: (Tax Parcel 52.4-1-27.029)

Deed from Round Lake Farm Trust, William Dexter and David Potsabay, as trustees dated April 4, 2017 and recorded April 10, 2017 in Liber 1870 at Page 129.

5. The land referred to in this certificate is described as follows:

- SEE ATTACHED DESCRIPTION -

SCHEDULE A DESCRIPTION

PARCEL A

ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;
THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;
THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped 3/4 inch iron pipe;
THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped 3/4 inch iron pipe; THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped 3/4 inch iron pipe; THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped 3/4 inch iron pipe;
THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;
THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;
THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;
THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet drill hole in the center of a stream;
THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped 3/4 inch iron pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet to the point and place of beginning.

FOR CLOSING INSTRUMENTS ONLY – NOT INSURED: (Containing 20.00 acres.)

EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions.

ALSO CONVEYING ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south

SCHEDULE A DESCRIPTION

(Continued)

line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8, 30 feet more or less to the point of True Beginning.

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED: (Being approximately 130 square feet.)

PARCEL B

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12, Old Military Tract, in the Town of North Elba, Essex County, State of New York, more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest corner of Subdivision 2, Lot No. 1, as above described running thence along the south line of Subdivision 2 and along a wire fence, in part S. 84 07' E. a distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree located 1.5 feet northeast therefrom; running thence along a cedar rail fence N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11 15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70 04' W. a distance of 251.4 feet along a cedar rail fence, in part to an iron pipe and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of 16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2 feet to the place of beginning. All bearings are magnetic as of the year 1957.

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED: (The above described parcel of land contains 1.5 acres, more or less)

In accordance with a survey made by E.W. Sears, Licensed Land Surveyor, on November 2, 1957.

PARCEL C

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of Subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of Subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of Subdivision No. 3, a distance of 262.5 feet to a point in the division line between Subdivision No. 1 and Subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning.

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED (Said parcel containing two (2) acres of land, more or less.)

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road, Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

PARCEL D

SCHEDULE A DESCRIPTION

(Continued)

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, Subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of Subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of Subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between Subdivision No. 1 and Subdivision No. 3 to a point in the division line between Lot Nos. 1 and 3 which point is 340 feet from the northeast corner of Subdivision No. 3; thence in a southerly direction parallel to the easterly boundary of Subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of Subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of Subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of Subdivision No. 3 of Great Lot No. 8

PARCEL E-1

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of North Elba, County of Essex and State of New York, being Subdivision No. 2 of Lot No.1, Township No. 12, Old Military Tract, Richard's Survey.

Excepting therefrom the 1 acre of land conveyed by Alexander Stalker to Ella M. Umber by deed dated December 21, 1896 and recorded in the Essex County Clerk's Office on July 11, 1907 in Book 136 of Deeds at page 148. Beginning at the northwest corner of the said lot or in the north line of said lot at the low water mark of Round Pond; running thence easterly 16 rods on lot line; thence southerly at right angles to the first line 10 rods; thence westerly at right angles with the second line and parallel to the first line 16 rods; thence northerly 10 rods to the place of beginning.

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED: (Containing 1 acre of land, be the same, more or less.)

Excepting therefrom the premises conveyed to Douglas Haskell and Helen Lacy Haskell by deed dated March 5, 1958 and recorded March 21, 1958 in Liber 357 at page 343.

PARCEL E-2

ALL that tract or parcel of land in the Town of North Elba, County of Essex and State of New York, in Township 13, Old Military Tract, Richards' Survey, and in Subdivision 4 of Lot No. 1, and being the portion of the 33 Acre Tract in said lot conveyed by James Shea and Grace Shea to Ralph E. Hale, which lies North of the Cascade Road and bounded and described as follows:

Beginning in the center of said road where the Easterly line of said tract intersects the same, which line is also the East line of said Subdivision 4 of Lot No. 1, and running thence Northerly along the East line of said tract to the Northeast corner thereof; thence Westerly along the Northerly line of said tract to lands now owned by Ethel W. Defoe; thence Southerly along the Easterly line of said Defoe lands to lands now owned by John Hall Jones, and continuing along his

SCHEDULE A DESCRIPTION

(Continued)

Easterly line to the center of the said Cascade Road; thence Easterly along the center of said road to the place of beginning

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED: (Being 25 acres more or less.)

PARCEL F

All that certain tract or parcel of land situate in the Town of North Elba, County of Essex, State of New York being part of Lot 1 - Sublot 2, Township 12, Old Military Tract Richard's Survey lying east of Round Pond, so-called, said parcel being more particularly bound and described as follows:

Beginning at a point on the east shore of Round Pond and on the north line of Lot 1 - Sublot 2, Township 12, Old Military Tract, Richard's Survey;
Thence, South 85° 13' 32" East, 264.00 feet along the north line of the parcel to a point marked by a 5/8 inch iron rod, said course passing through a 5/8 inch iron rod line marker at the southeast corner of Lot 140, Township 12, Old Military Tract, Thorn's Survey;
Thence, South 04° 46' 20" West, 165.00 feet along the east line of the parcel to a point marked by a 5/8 inch iron rod;
Thence, North 85° 13' 32" West, 264.00 feet along the south line of the parcel to a point in Round Pond, said course passing through a 5/8 inch iron rod line marker at a distance of 163.68 feet;
Thence, North 04° 46' 28" East, 165.00 feet along the west line of the parcel to the Point of Beginning.

FOR CLOSING INSTRUMENTS ONLY - NOT INSURED (Containing therein 1.00 acre, more or less.)

SCHEDULE B-I**The following requirements must be complied with prior to the policy being issued:**

1. All parties will be required to provide photo identification and social security numbers to the Company's representative at closing.
2. Mortgages(s) returned, if any, as shown on Mortgages schedule herein.
3. Taxes, tax liens, tax sales, sewer and assessments set forth herein. See attached or to follow.
4. Deeds and mortgages must contain the covenant required by Section 13 of the Lien Law and such covenant must be absolute and not conditional. The covenant is not required in deeds from referees or other persons appointed by a court for the sole purpose of selling property.
5. The nature of the transaction to be insured herein must be disclosed to the Company prior to closing. Title may be subject to additional exceptions as may be appropriate after disclosure of the type of transaction.
6. This Company requires that a TITLE RUNDOWN BE ORDERED AT LEAST 24 HOURS PRIOR TO CLOSING. Title will then be recertified accordingly and additional exceptions may be raised.
7. For Information: Searches have been run vs. the certified owner(s) herein and proposed purchaser for judgments and federal tax liens. Returns, if any, appear herein.
8. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, The Company is not able to close or insure any transaction involving Land that is associated with these activities.
9. If the proposed sale, lease, exchange or other disposition to be insured is by a corporation governed by the Not-For-Profit Corporation Law, proof of compliance with Sections 509 and 510 (a) (1) or (2) of said Law will be required.

Said transaction must be authorized by the vote of a majority of directors of the board of said corporation or a majority of a committee authorized by said board, provided however, that if the proposed sale, lease, exchange or other disposition constitutes all or substantially all of the assets of said corporation, then the vote of two-thirds of the entire board shall be required, or, if there are twenty-one or more directors, the vote of a majority of the entire board shall be sufficient.

In addition, if the corporation is classified as a charitable corporation under Section 201 of the Not-For-Profit Corporation Law, a sale, lease, exchange or other disposition constituting all or substantially of the assets of said charitable corporation must be approved by a Court Order or by the Office of the Attorney General of the State of New York pursuant to Section 510 (a) (3) of said Law.

The requirements for a Petition:

- a. to obtain a Court order can be found in NFP Law Sec. 511;
- b. to obtain Attorney General approval can be found in NFP Law Sec. 511- a

Such approval must be obtained and delivered to the Company prior to closing. NOTE: Proof is required that said corporation is organized for not-for-profit purposes and is exempt under the laws of the United States and the State (and City) of New York for tax purposes.

10. Proof showing death of Katharine W. Cashman prior to January 1, 1995 to be provided to the company.
11. Proof showing death of Edmund G. Cook prior to May 4, 1999 to be provided to the company.

SCHEDULE B-I

(continued)

12. Proof is required to show that Edmund G. Cook, Jr. devisee in the last will and Testament of Wesley P. Cushman (who died on January 1, 1995 a resident of Franklin County, OH) and Edmund G. Cook, III (who died on September 7, 1995 a resident of Franklin County, OH) are one in the same person.
13. Proof showing death of Douglas Haskell prior to September 29, 1980 to be provided to the company.

END OF SCHEDULE B - SECTION I

SCHEDULE B-II

The policy will include as exceptions to title the following matters unless they are disposed of to the satisfaction of the Company:

Owner's	Loan	
		1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by the Certificate.
		2. Water and Sewer Rents, not included in the regular Town, City, or Village Real Estate Tax Bill, are not searched for unless expressly stated, and are not insured against.
		3. Rights of tenants or persons in possession.
		4. Any facts that would be disclosed by an accurate survey or inspection of the land.
		5. Rights, easements and encroachments, if any, for utility poles, wires, lines, guy wires, pipes, drains, and similar installations, together with such rights as may exist to operate, maintain and repair the same.
		6. Tax search indicates that the premises are benefited by a tax abatement and/or exemption. Policy excepts all loss or damage sustained or incurred by reason of the restoration of real property taxes on the premises and/or the termination, revocation or rescission of said abatement and/or exemption.
		7. The exact acreage of the Land is not insured.
		8. The exact courses, distances, dimensions and location of the premises described in Schedule A cannot be insured in the absence of a satisfactory survey guaranteed to this Company.
		9. Riparian rights and easements of others to and over creeks and streams, and this policy does not insure any riparian rights or easements in favor of the owner of the premises herein.
		10. No title is insured to any land lying in the bed of any street, road or avenue, abutting adjoining, passing through or crossing the premises herein.
		11. For Information: Premises herein are within the bounds of the Adirondack Park and are subject to the rules and regulations of the Adirondack Park Agency.
		12. Utility Easement in Liber 382 page 104 (As to Parcel A).
		13. Utility Easement in Liber 869 page 51 (As to Parcel A).
		14. APA Project Permit 2016-218 in Liber 70 page 125 (As to Parcel A).
		15. Rights of parties in and to the use of that portion of Round Pond located on premises. However, no rights in favor of the owner of the premises are insured hereunder (As to Parcel A and Parcel F).
		16. Agreement in Liber 1531 at page 258 (As to Parcel A).

SCHEDULE B-II

(Continued)

17. Easement in Liber 1531 at page 298 (As to Parcel A).
18. Easement in Liber 357 at page 343 (As to Parcel B and Parcel E).
19. Settlement Agreement in Liber 68 at page 218 (As to Parcel B and Parcel E).
20. Easement in Liber 410 at page 363 (As to Parcel C).
21. Agreement in Liber 594 at page 22 (As to Parcel C and Parcel D).
22. APA Permit in Liber 28 at page 335 (As to Parcel C and Parcel D).
23. APA Permit in Liber 35 at page 144 (As to Parcel C and Parcel D).
24. Road Use and Road Maintenance Agreement in Liber 1077 at page 4 (As to Parcel C and Parcel D).
25. Rights of Way in Liber 508 at page 200 (As to Parcel D).
26. Rights of Way, well and pipeline rights in Liber 303 at page 31 (As to Parcel D).
27. Right of Way in Liber 301 at page 449 (As to Parcel D).
28. APA Project Permit in Liber 76 at page 236 (As to Parcel D).
29. Four Party Easement Agreement in Liber 1665 at page 90 (As to Parcel D).
30. APA Project Permit in Liber 91 at page 129 (As to Parcel D and Parcel E).
31. APA Project Permit in Liber 71 at page 191 (As to Parcel E).
32. APA Project Permit in Liber 76 at page 236 (As to Parcel E).
33. Easement in Instrument No. 2009-5831 (As to Parcel E).
34. APA Project Permit in Liber 107 at page 327 (As to Parcel E).
35. APA Project Permit in Liber 108 at page 71 (As to Parcel E).

MORTGAGES

APPLICANT AND/OR SELLER ATTORNEY MUST PROVIDE A MORTGAGE PAYOFF LETTER TO THE COMPANY A MINIMUM OF FORTY-EIGHT (48) HOURS PRIOR TO CLOSING.

A minimum of five (5) days per diem interest is required to be added to payoff figure for each mortgage from date of closing. When a satisfaction of mortgage is not provided at closing, a minimum fee of Seventy-Five Dollars (\$75.00) per lender may be charged. Additional charges may be required for the cost of recording the satisfaction document(s).

All MORTGAGE PAYOFF CHECKS must be made payable DIRECTLY TO THE LENDER.

Please read the PAYOFF LETTERS carefully - many lenders now require CERTIFIED OR WIRED FUNDS ONLY.

Mortgage in the amount of \$37,646.00 made by North Country School, Inc. to Helen Lacy Haskell, 1 Lexington Avenue, New York, NY dated November 12, 1980 and recorded November 14, 1980 in the Essex County Clerk's Office in Liber 333 of Mortgages at page 263.

NOTE: If the PRIVATE MORTGAGE is to be satisfied at closing, the original discharge of mortgage must be delivered for recording and the original note and mortgage must be delivered to closing for disposition or the final policy will except the same.

This certificate does not purport to show all the terms and provisions of the preceding mortgage(s). Interested parties should communicate with the holder(s) thereof to consider the terms thereof, the obligation(s) secured and the effect of any unrecorded agreements in modification thereof.

TAX SEARCHES

NOT ORDERED

CONDITIONS AND STIPULATIONS

1. This Certificate shall be null and void
 - a. if the fees therefore are not paid;
 - b. if the prospective insured, his attorney or agent makes any untrue statement with respect to any material fact, or if any untrue answers are given to material inquiries by or on behalf of the Company;
 - c. when the policy shall issue or nine months after effective date hereof, whichever first occurs, provided that the failure to issue such policy is not the fault of the Company;
 - d. until the amount of the policy or policies requested is inserted in Schedule A hereof by the Company, either at the time of the issuance of this Certificate or by subsequent endorsement.

2. If the title, interest or lien to be insured was acquired by the prospective insured prior to delivery hereof, the Company assumes no liability except under its policy when issued.

3. The liability of this Company under this Certificate shall not exceed the amount stated in Schedule A hereof and such liability is subject to the insuring provisions, the Exclusions from coverage and the Conditions and Stipulations of the form of policy or policies shown in Schedule A hereof in favor of the proposed insured which are hereby incorporated by reference and made a part of this Certificate except as expressly modified herein.

This Certificate of Title has been prepared in accordance with the information and instructions received. If any changes or additions are desired, please notify the Company promptly.

CLOSING INFORMATION

Closed by: _____ Date Closed: _____ Title No.: _____

Closed at the office of: _____

Parties Present	Interest in Transaction	Address
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____



Inquire before you wire!

WIRE FRAUD ALERT

This Notice is not intended to provide legal or professional advice.
If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. **DO NOT** use the phone number provided in the email containing the instructions, use phone numbers you have called before or can otherwise verify. **Obtain the number of relevant parties to the transaction as soon as an escrow account is opened.** **DO NOT** send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers, and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and **DO NOT** reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation:
<http://www.fbi.gov>

Internet Crime Complaint Center:
<http://www.ic3.gov>

**FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE
Revised May 1, 2018**

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, "FNF", "our," or "we") respect and are committed to protecting your privacy. This Privacy Notice explains how we collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of that information.

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- identity information (e.g. Social Security Number, driver's license, passport, or other government ID number);
- financial account information (e.g. loan or bank account information); and
- other personal information necessary to provide products or services to you.

Browsing Information. FNF may automatically collect the following types of Browsing Information when you access an FNF website, online service, or application (each an "FNF Website") from your Internet browser, computer, and/or mobile device:

- Internet Protocol (IP) address and operating system;
- browser version, language, and type;
- domain name system requests; and
- browsing history on the FNF Website, such as date and time of your visit to the FNF Website and visits to the pages within the FNF Website.

How Personal Information is Collected

We may collect Personal Information about you from:

- information we receive from you on applications or other forms;
- information about your transactions with FNF, our affiliates, or others; and
- information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

How Browsing Information is Collected

If you visit or use an FNF Website, Browsing Information may be collected during your visit. Like most websites, our servers automatically log each visitor to the FNF Website and may collect the Browsing Information described above. We use Browsing Information for system administration, troubleshooting, fraud investigation, and to improve our websites. Browsing Information generally does not reveal anything personal about you, though if you have created a user account for an FNF Website and are logged into that account, the FNF Website may be able to link certain browsing activity to your user account.

Other Online Specifics

Cookies. When you visit an FNF Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. Information gathered using cookies helps us improve your user experience. For example, a cookie can help the website load properly or can customize the display page based on your browser type and user preferences. You can choose whether or not to accept cookies by changing your Internet browser settings. Be aware that doing so may impair or limit some functionality of the FNF Website.

Web Beacons. We use web beacons to determine when and how many times a page has been viewed. This information is used to improve our websites.

Do Not Track. Currently our FNF Websites do not respond to "Do Not Track" features enabled through your browser.

Links to Other Sites. FNF Websites may contain links to other websites. FNF is not responsible for the privacy practices or the content of any of those other websites. We advise you to read the privacy policy of every website you visit.

Use of Personal Information

FNF uses Personal Information for three main purposes:

- To provide products and services to you or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you about our, our affiliates', and third parties' products and services, jointly or independently.

When Information Is Disclosed

We may make disclosures of your Personal Information and Browsing Information in the following circumstances:

- to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to nonaffiliated service providers who provide or perform services or functions on our behalf and who agree to use the information only to provide such services or functions;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to jointly market financial products or services to you;
- to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order; or
- in the good-faith belief that such disclosure is necessary to comply with legal process or applicable laws, or to protect the rights, property, or safety of FNF, its customers, or the public.

The law does not require your prior authorization and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or Browsing Information with nonaffiliated third parties, except as required or permitted by law.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of bankruptcy, reorganization, insolvency, receivership, or an assignment for the benefit of creditors. By submitting Personal Information and/or Browsing Information to FNF, you expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings.

Please see "**Choices With Your Information**" to learn the disclosures you can restrict.

Security of Your Information

We maintain physical, electronic, and procedural safeguards to guard your Personal Information. We limit access to nonpublic personal information about you to employees who need to know that information to do their job. When we provide Personal Information to others as discussed in this Privacy Notice, we expect that they process such information in compliance with our Privacy Notice and in compliance with applicable privacy laws.

Choices With Your Information

If you do not want FNF to share your information with our affiliates to directly market to you, you may send an "opt out" request by email, phone, or physical mail as directed at the end of this Privacy Notice. We do not share your Personal Information with nonaffiliates for their use to direct market to you.

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you.

For California Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties, except as permitted by California law.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not disclose information about you creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

Information From Children

The FNF Websites are meant for adults and are not intended or designed to attract persons under the age of eighteen (18). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States and choose to provide Personal Information or Browsing Information to us, please note that we may transfer that information outside of your country of residence for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection, transfer, and use of such information in accordance with this Privacy Notice.

FNF Website Services for Mortgage Loans

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the "Service Websites"). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender's privacy notice. The sections of this Privacy Notice titled When Information is Disclosed, Choices with Your Information, and Accessing and Correcting Information do not apply to the Service Websites. The mortgage loan servicer or lender's privacy notice governs use, disclosure, and access to your Personal Information. FNF does not share Personal Information collected through the Service Websites, except (1) as required or authorized by contract with the mortgage loan servicer or lender, or (2) as required by law or in the good-faith belief that such disclosure is necessary to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

Your Consent To This Privacy Notice; Notice Changes

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information in accordance with this Privacy Notice. We may change this Privacy Notice at any time. The revised Privacy Notice, showing the new revision date, will be posted on the FNF Website. Each time you provide information to us following any amendment of this Privacy Notice, your provision of information to us will signify your assent to and acceptance of the terms of the revised Privacy Notice for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing for affiliate marketing, send your requests via email to privacy@fnf.com, by phone to (888) 934-3354, or by mail to:

Fidelity National Financial, Inc.
601 Riverside Avenue,
Jacksonville, Florida 32204
Attn: Chief Privacy Officer

P/S/A

(T)

NO. 35

BL 1811 Pg. 71

09/03/2015 DEED IMAGE 1 OF 5



ESSEX COUNTY - STATE OF NEW YORK
JOSEPH A. PROVONCHA, COUNTY CLERK
7569 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE
THIS PAGE IS PART OF THE DOCUMENT - DO NOT DETACH



BOOK/PAGE: 1811 / 71
INSTRUMENT #: 2015-3357

Receipt#: 2015140075
Clerk: SN
Rec Date: 09/03/2015 04:03:00 PM
Doc Grp: D
Descrip: DEED
Num Pgs: 5
Rec'd Frm: MOUNTAIN ABSTRACT

Party1: ROUND LAKE COTTAGE L L C
Party2: NORTH COUNTRY SCHOOL INC
Town: NORTH ELBA

Recording:	
Cover Page	5.00
Recording Fee	40.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75
TP584	5.00
RP5217 Residential/Agricu	116.00
RP5217 - County	9.00

Sub Total: 195.00

Transfer Tax	
Transfer Tax - State	6200.00
Transfer Tax - County	3100.00
Mansion Tax	15500.00

Sub Total: 24800.00

Total: 24995.00
**** NOTICE: THIS IS NOT A BILL ****

***** Transfer Tax *****
Transfer Tax #: 160
Transfer Tax
Consideration: 1550000.00

Transfer Tax - State	6200.00
Transfer Tax - County	3100.00
Mansion Tax	15500.00

Total: 24800.00

I hereby certify that the within and foregoing was recorded in the Essex County Clerk's Office.

Joseph A. Provoncha

Joseph A. Provoncha
Essex County Clerk

Record and Return To:

LAW OFFICE OF JAMES M BROOKS
72 OLYMPIC DRIVE
LAKE PLACID NY 12946

Notice Information may change during the verification process and may not be reflected on this page

This Indenture

Made the 21st day of August, Two Thousand Fifteen,

Between Round Lake Cottage, LLC, a New York limited liability company,
with an address of 524 Nottingham Road, Baltimore, MD 21229,

party of the first part, and

North Country School, Inc., a New York educational corporation,
with an address of 4382 Cascade Road, Lake Placid, NY 12946,

party of the second part,

Witnesseth that the party of the first part, in consideration of One Dollar (\$1.00) lawful money of the United States, paid by the party of the second part, does hereby grant and release unto the party of the second part, its successors and assigns forever, all that certain piece or parcel of land more particularly described in Schedule A attached hereto and made a part hereof.

Together with the appurtenances and all the estate and rights of the party of the first part in and to said premises, including all littoral and/or riparian rights.

Subject to any state of facts that a personal inspection or an accurate survey would show. The premises and its improvements are conveyed in "AS IS" condition.

To have and to hold the premises herein granted unto the party of the second part, its successors and assigns forever.

And said party of the first part covenants as follows:

First, that the party of the second part shall quietly enjoy the said premises;

Second, that said party of the first part will forever Warrant the title to said premises; and

Third, that, in Compliance with Section 13 of the Lien Law, the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

JOHN T. WILKINS, ESQ.
2461 Main Street, Suite 2, Lake Placid, NY 12946

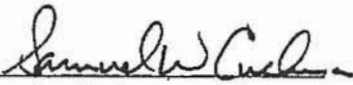
MOUNTAIN ABSTRACT CO., INC.
2015-5571

Record and Return to
Law Office of James M. Brooks
72 Olympic Drive
Lake Placid, New York 12946

In Witness Whereof, the party of the first part has hereunto set its hand and seal the day and year first above written.

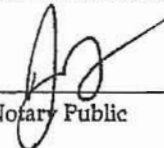
In Presence of

Round Lake Cottage, LLC

By: 
Samuel Cushman, Class A
Member/President

State of New York)
County of Essex) ss.

On this 21st day of August, in the year Two Thousand Fifteen, before me, the undersigned, a Notary Public in and for the said State, personally appeared SAMUEL CUSHMAN to me personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledge to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

JOAN W. GRADY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01GR6034349
Qualified in Essex County
My Commission Expires December 06, 2017

SCHEDULE A

"ALL OF THAT TRACT, part, piece or parcel of land situate in Lots 133 and 140, Township 12, Old Military Tract, Thorn's Survey, Town of North Elba, County of Essex and State of New York, and being more particularly bounded and described as follows:

"BEGINNING AT A POINT in the centerline of New York State Route 73, said point being the southwestern corner of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 203;

"THENCE N 05° 37' 24" W, along said center line, a distance of 134.76 feet to a point;

"THENCE S 87° 00' 49" E a distance of 43.16 feet to a point marked by a capped ¾ inch Iron pipe; thence continuing along the same course a distance of 271.03 feet, for a total distance of 314.19 feet, to a point marked by a capped ¾ inch Iron pipe;

"THENCE N 59° 04' 31" E a distance of 304.90 feet to a point marked by a capped ¾ inch Iron pipe;

"THENCE S 87° 57' 09" E a distance of 200.12 feet to a point marked by a capped ¾ inch Iron pipe;

"THENCE N 46° 26' 48" E a distance of 150.82 feet to a point marked by a capped ¾ inch Iron pipe;

"THENCE S 79° 40' 47" E a distance of 146.54 feet to a point marked by a capped ¾ inch Iron pipe; thence continuing in the same course a distance of 1,119.67 feet, for a total distance of 1,266.21 feet to a point;

"THENCE S 10° 13' 54" W a distance of 512.46 feet to a point in in the south line of premises conveyed by Herbert C. and Almira Goff to Samuel Wright by deed dated September 15, 1916 and recorded in the Essex County Clerk's Office in Book 155 of Deeds at page 202;

"THENCE N 79° 40' 47" W, along the south line, a distance of 869.12 feet to a point marked by a 5/8" rebar;

"THENCE N 80° 12' 39" W, still along said south line, a distance of 613 feet to a point which bears N 17° 44' 47" W a distance of 4.29 feet Drillhole in the center of a stream;

"THENCE N 79° 59' 45" W, still along said south line and along the south line of the first mentioned premises, a distance of 530.81 feet to a point marked by a capped ¾ inch iron Pipe; thence continuing along the same course a distance of 44.92 feet, for a total of 575.73 feet, to the point and place of beginning. Containing 20.00 acres.

"EXCEPTING AND RESERVING all that portion of the above described premises used or appropriated for State, County or Town highway purposes.

"All in accordance with a survey prepared by Christopher Hunt Leifheit completed June 22, 2006, revised July 25, 2006, and filed in the Office of the Essex County Clerk as Map number 6052.

"BEING part of the premises conveyed by Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman

to Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman by deed dated April 12, 2003 and recorded in the Essex County Clerk's Office on May 12, 2003 in Book 1359 of Deeds, page 305.

"SUBJECT to Adirondack Park Agency Permit 2006-218 issued October 20, 2006, recorded in the Essex County Clerk's Office on October 20, 2006 in APA Book 70 at page 125, the terms and conditions of which are binding upon the heirs, successors and assigns of the grantors and all subsequent grantees.

"SUBJECT to a certain Agreement made by and between Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman dated August 1, 2006 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531 of Deeds, page 258, which agreement contains rights of first refusal and other provisions."

BEING the same premises conveyed by Samuel W. Cushman, James P. Cushman, and Sydney F. Cushman to Round Lake Cottage, LLC by deed dated March 29, 2007 and recorded in the Essex County Clerk's Office on April 2, 2007 in Book 1531, page 307.

ALSO CONVEYING "ALL OF THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York, being part of Subdivision One of Lot No. 8, Township 12, OMT, Richard's Survey, more particularly bounded and described as follows:

"BEGINNING in the center of the Keene Road where the south line of Lot Number 133 crosses said road and running thence easterly on the division line between said Lot Number 133 and Lot Number 8 S 79° 59' 45" E along the division line a distance of 317.05 feet to the True Point of Beginning; thence S 07° 01' 43" W a distance of 3.60 feet to a point; thence S 82° 58' 17" E a distance of 29.92 feet to a point; thence N 07° 01' 43" W a distance of 2.05 feet to a point in the south line of property owned by Sam Cushman; thence N 79° 59' 45" W along the division line between Lot Number 133 and Lot Number 8 30 feet more or less to the point of True Beginning, and being approximately 130 square feet.

"BEING a portion of the premises conveyed to James P. Cushman and Sharon J. Cushman by deed from David C. Dohman and Jean M. Dohman dated January 18, 1994, recorded in the Essex County Clerk's Office on January 21, 1994 in Book 1055 of Deeds at page 290."

BEING the same premises conveyed by James P. Cushman and Sharon J. Cushman to Round Lake Cottage, LLC by deed dated July 7, 2014 and recorded in the Essex County Clerk's Office on July 15, 2014 in Book 1771 of Deeds, page 289.

(T)

\$72.05

Book 720 Pg. 130 00104

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT - THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY

THIS INDENTURE, made the 29th day of July SEPT, nineteen hundred and eighty

BETWEEN
Helen Lacy Haskell
1 Lexington Avenue
New York, NY

party of the first part, and
North Country School, Inc.
a corporation organized under the laws of the State of New York, with its principal
office located in the Village of Lake Placid, Town of North Elba, Essex County,
New York.

party of the second part,
WITNESSETH, that the party of the first part, in consideration of ten dollars and other valuable consideration
paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs
or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate,
lying and being in the a part of Subdivision 2, Lot No. 1, Richard's Survey, Township 12,
Old Military Tract, in the Town of North Elba, Essex County, State of New York,
more particularly bounded and described as follows:

BEGINNING at an iron pipe and stones and fence corner located at the southwest
corner of Subdivision 2, Lot No. 1, as above described running thence along the
south line of Subdivision 2 and along a wire fence, in part, S. 84 07' E. a
distance of 228.9 feet to an iron pipe and stones referenced by a red pine tree
located 1.5 feet northeast therefrom; running thence along a cedar rail fence
N. 11 15' E. a distance of 228.3 feet to an iron pipe; thence continuing N. 11
15' E. a distance of 16.5 feet to an iron pipe and stones; thence running N. 70
04' W. a distance of 251.4 feet along a cedar rail fence, in part, to an iron pipe
and stones in the westerly line of Subdivision 2, Lot No. 1; running thence along
a board fence, and the westerly line of Subdivision 2, S. 7 23' W. a distance of
16.5 feet to an iron pipe; and thence continuing S. 7 23' W. a distance of 288.2
feet to the place of beginning. All bearings are magnetic as of the year 1957.

The above described parcel of land contains 1.5 acres, ore or less, and is
in accordance with a survey made by E.W. Seans, Licensed Land Surveyor, on
November 2, 1957.

This conveyance is made subject to an easement previously reserved by the
party of the second part in a conveyance to the party of first part dated
March 5, 1958 and recorded in the Essex County Clerk's office on the 21st day
of March 1958 in Liber 357 of Deeds at Page 343.

This conveyance includes an easement previously granted by the party of the
second part in a conveyance to the party of the first part dated March 5, 1958
and recorded in the Essex County Clerk's office on the 21st day of March 1958 in
Liber 357 of Deeds at page 343.

Being the same premises conveyed by the party of the second part to the party
of the first part as twice previously described above,
TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and
roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances
and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO
HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of
the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything
whereby the said premises have been encumbered in any way whatever, except as aforesaid.
AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of
the first part will receive the consideration for this conveyance and will hold the right to receive such consid-
eration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply
the same first to the payment of the cost of the improvement before using any part of the total of the same for
any other purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.
IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above
written.

IN PRESENCE OF:
Denise T. Lanchantin *Helen Lacy Haskell*
Helen Lacy Haskell

DENISE T. LANCHANTIN
Notary Public, State of New York
No. 24-022493
Qualified in Kings County
Commission Expires March 30, 1982

350 MAR 1981

NO. 7

720-130

BOOK 720 PAGE 131

STATE OF NEW YORK, COUNTY OF
On the 29th day of September 1980, before me
personally came
Helen Lacey Haskell

to me known to be the individual described in and who
executed the foregoing instrument, and acknowledged that
she executed the same.

Denise J. Lanchester

DENISE T. LANCHESTER
Notary Public, State of New York
No. 244750462
Qualified in Kings County
Commission Expires March 05, 1982

STATE OF NEW YORK, COUNTY OF
On the day of 19, before me
personally came

to me known to be the individual described in and who
executed the foregoing instrument, and acknowledged that
executed the same.

STATE OF NEW YORK, COUNTY OF
On the day of 19, before me
personally came

to me known, who, being by me duly sworn, did depose and
say that he resides at No.

that he is the
of

the corporation described
in and which executed the foregoing instrument; that he
knows the seal of said corporation; that the seal affixed
to said instrument is such corporate seal; that it was so
affixed by order of the board of directors of said corpora-
tion, and that he signed his name thereto by like order.

STATE OF NEW YORK, COUNTY OF
On the day of 19, before me
personally came

the subscribing witness to the foregoing instrument, with
whom I am personally acquainted, who, being by me duly
sworn, did depose and say that he resides at No.

that he knows

to be the individual
described in and who executed the foregoing instrument;
that he, said subscribing witness, was present and saw
execute the same; and that he, said witness,
at the same time subscribed his name as witness thereto.

Bargain and Sale Deed
WITH COVENANT AGAINST GRANTOR'S ACTS

TITLE NO.

TO

SECTION
BLOCK
LOT
COUNTY OR TOWN

Recorded at Request of
CHICAGO TITLE INSURANCE COMPANY

Return by Mail to

STANDARD FORM OF NEW YORK BOARD OF TITLE INSURANCE
Distributed by
**CHICAGO TITLE
INSURANCE COMPANY**

Unjiver and Broske, P.C.
75 Main Street
Lake Placid Dep No. 12946

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

INDEX
ASSESSORS
MICRO
RECEP. 638

RECEIVED
\$ 72.05
REAL ESTATE
NOV 14 1980
TRANSFER TAX
ESSEX
COUNTY

RECORDED
TIME 10:15 AM
BOOK 720 Deed
PAGE 131
John P. Battelle
ESSEX CO. CLERK

NOV 14 1980

Ⓟ

1452 PG: 184 07/18/2005 DEED

No. 11

1452-184

Essex County
Joseph Provoncha
County Clerk
Elizabethtown, New York

Book: 1452 Page: 184

Document Number: 2005- 00004574 Document Type: Deed
Recorded Date: 07/18/2005

Parties: HANSEN, SUSAN A
NORTH COUNTRY SCHOOL

Pages Charged: 2
Pages Scanned: 3

Comment: 52,004-1-21.000

Recorded By: G&G ABSTRACT COMPANY INC

**** Examined and Charged as Follows ****

Deed	31.00
Coversheet	10.00
RP5217 Residential/Agric	75.00
TP584 Affidavit	5.00

Recording Fee: 121.00

	<u>Town</u>	<u>Serial #</u>	<u>Consideration</u>	<u>Tax Code</u>
Transfer Tax	1,020.00 NORTH ELBA	2736	255,000.00	R
Basic	0.00			
Additional	0.00			
Special Additional	0.00			
Transfer	1,020.00			
Tax Fee:	1,020.00			

e

**** DO NOT REMOVE ****

**** This Page is Part of the Document ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office for:

File Information
Document Number: 2005- 00004574
Recorded Date: 07/18/2005 02:18 P
Receipt Number: 5404

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JAMES BROOK
72 OLYMPIC DRIVE
LAKE PLACID NY 12946-



Joseph A. Provoncha
Joseph A. Provoncha
Essex County Clerk

THIS INDENTURE made the 15th day of July, 2005, between

SUSAN A. HANSEN, of 1027 Red Oak Road, Ann Arbor, Michigan, 48103, hereinafter referred to as party of the first part

and

NORTH COUNTRY SCHOOL, a corporation organized under the laws of the State of New York with offices at Cascade Road, P.O. Box 187, Lake Placid, New York, 12946, party of the second part.

WITNESSETH, that the party of the first part, in consideration of ONE AND NO/100 DOLLAR (\$1.00) lawful money of the United States and other good and valuable consideration, paid by the party of the second part, does hereby grant and release unto the party of the second part, its heirs, successors and assigns forever, all that certain tract, piece or parcel of land situate in the Town of North Elba, Essex County, New York, being more particularly described as follows:

See Schedule "A" attached hereto and made a part hereof.

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises,

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, its successors and assigns forever.

AND SAID party of the first part covenants as follows:

- FIRST, That the party of the second part shall quietly enjoy the said premises;
- SECOND, That said party of the first part will forever WARRANT the title to said premises.
- THIRD, That, in Compliance with Sec. 13 of the Lien Law, the grantor(s) will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

IN WITNESS WHEREOF, the party of the first part has hereunto set her hand and seal the day and year first above written.

Susan A. Hansen
SUSAN A. HANSEN

NEW YORK
STATE OF MICHIGAN, COUNTY OF ESSEX : ss

On the 15th day of July in the year 2005 before me, the undersigned, personally appeared SUSAN A. HANSEN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in Lake Placid, N.Y. County, State of Michigan.

Amy L. Smith
Notary Public
AMY L. SMITH
Notary Public, State Of New York
No. 02SM5072900
Qualified in Essex County
Commission Expires February 10, 2007

SCHEDULE "A"

"ALL THAT TRACT OR PARCEL OF LAND situate in the Town of North Elba, County of Essex, State of New York, known and distinguished as the northern part of subdivision No. 3 of Lot No. 8, Township No. 12, Old Military Tract, as surveyed by John Richards in the year 1813 and described as follows:

BEGINNING at a point in the division line between subdivision No. 1 and subdivision No. 3 of Great Lot No. 8, which point is 340 feet from the northeast corner of subdivision No. 3 of Great Lot No. 8 in Township No. 12, Old Military Tract; thence continuing along the division line between subdivision No. 1 and subdivision No. 3 of Great Lot No. 8 in a westerly direction a distance of 322 feet to a point marked by a pipe set in the ground; thence in a southerly direction at right angles to the division line between subdivision No. 1 and subdivision No. 3 of Great Lot No. 8 and parallel to the easterly boundary of subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground; thence easterly and parallel to the first line above described and 262.5 feet therefrom, a distance of 322 feet to a point marked by a pipe set in the ground; thence in a northerly direction in a line parallel to the easterly boundary of subdivision No. 3, a distance of 262.5 feet to a point in the division line between subdivision No. 1 and subdivision No. 3 of Great Lot No. 8, which point is the point or place of beginning, said parcel containing two (2) acres of land, more or less."

BEING the same premises conveyed by North Country School to Susan A. Hansen by deed dated November 2, 1991 and recorded in the Essex County Clerk's Office on November 14, 1991 in Book 1002 of Deeds at page 8.

The lands conveyed are subject to Adirondack Park Agency Permit No. 91-157 issued May 28, 1991 filed in the Essex County Clerk's Office on July 26, 1991 in Book 28 APA at page 335 and Permit No. 91-157A issued March 31, 1994 filed in the Essex County Clerk's Office on May 9, 1994 in Book 35 APA at page 144, the terms of which are binding upon the heirs, successors and assigns of the grantor and all subsequent grantees.

ALSO SUBJECT TO the terms and conditions of a Road Use and Road Maintenance Agreement by and between North Country School, Susan A. Hansen and John P. Morgan, III dated November 10, 1994 recorded in the Essex County Clerk's Office on November 18, 1994 in Book 1077 of Deeds at page 4.

Subject to all covenants, easements, agreements and restrictions of record and any state of facts an accurate survey would disclose.

BOOK 508

PAGE 200

DEEDS, N. Y. DEED--WARRANTY

TUTELAND ASSOCIATION, INC. & PAT. OFFICE
VOLUME LAW PRINTS, PUBLISHED BY THE ASSOCIATION

15.40

NO. 1
508-200

This Indenture,

Made the twelfth day of January
Nineteen Hundred and Seventy-two

between PAUL GRILLO and AUDREY GRILLO, his wife, both formerly residing at North Country School, Town of North Elba, Essex County, New York, now residing in Apartment D13, North Village, Agherst, Massachusetts, 01002,

parties of the first part, and

NORTH COUNTRY SCHOOL, a corporation organized under the laws of the State of New York, with its principal office located in the Village of Lake Placid, Town of North Elba, County of Essex and State of New York,

Witnesseth that the parties of the first part, in consideration of *party of the second part,* ONE AND MORE Dollars (\$ 1.00 & more lawful money of the United States, and other good and valuable consideration, paid by the party of the second part, do hereby grant and release unto the party of the second part, its successors and assigns forever, all

ALL THOSE CERTAIN PREMISES conveyed by Robert Allen Mark and Janet Shippee Mark, his wife, to Paul Grillo and Audrey Grillo, his wife, by deed dated June 4, 1971, recorded in the Essex County Clerk's office on June 7, 1971 in Book 499 of Deeds at Page 342, and therein described as follows:

"ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the Town of North Elba, County of Essex and State of New York described as follows:

BEING part of Lot No. 8, Township 12, Old Military Tract, subdivision No. 3 thereof, and bounded and described as follows:

BEGINNING at the northeast corner of subdivision No. 3 of Lot No. 8 which said point is also the southeast corner of subdivision No. 1 of Great Lot No. 8 thence westerly along the division line between subdivision No. 1 and subdivision No. 3 to a point in the division line between Lots Nos. 1 and 3 which point is 340 feet from the northeast corner of subdivision No. 3; thence in a southerly direction parallel to the easterly boundary of subdivision No. 3 a distance of 262.5 feet, more or less, to a point marked by an iron pipe set in the ground which is the southwest corner of lands owned by the party of the first part and the southeast corner of lands owned by North Country School; running thence easterly in a line parallel to the northerly boundary of subdivision No. 3, 340 feet to a point where said line intersects the easterly boundary of subdivision No. 3, Great Lot No. 8; thence running northerly along the easterly boundary of Lot No. 3, a distance of 262.5 feet, more or less, to the point or place of beginning.

Said premises being the eastern most parcel of two parcels conveyed to the parties of the first part by Robert C. Bacon and Elizabeth N. Bacon by deed dated June 14, 1963, and recorded in the Essex County Clerk's Office on June 25, 1963, in Book 410 of Deeds at Page 354.

TOGETHER with any right, title and interest that the parties of the first part may have in and to the bed of New York State Highway No. 73, subject to its use for street purposes, and excepting from this conveyance any lands that may lie within the above described boundaries that were conveyed by Fred Thew, Francis B. Thew and Marlon B. Thew to the County of Essex by deed dated November 28, 1933, and recorded in the Essex County Clerk's Office in Liber 248 of Deeds at Page 411.

NOTE: The mortgage referenced herein is discharged of record.

TOGETHER with a right of way 20 feet in width running from New York State Highway No. 73, across the two acre parcel now owned by North Country School and across the lands of the parties of the first part to the above described premises for the purposes of ingress and egress. The north line of said right of way is the north line of subdivision No. 3 of Great Lot No. 8.

CONVEYANCE IS MADE SUBJECT TO THE FOLLOWING:

1. The exception of all gold and silver mines as excepted in the original patent.
2. A right of way, 20 feet in width along the northerly line of said premises, for the benefit of the Sellers and North Country School giving access to their parcels to the west of the parcel herein conveyed, which right of way runs with the land. This right of way is a continuation of the above-described right of way given to the parties of the second part.
3. A right of way, and certain rights in connection with the laying and maintenance of water pipe and use of the well on the parcel hereby conveyed for the benefit of the parcel of land now owned by North Country School as first described in a deed dated December 6, 1952, and recorded in the Essex County Clerk's office January 6, 1953, in Liber 313 of Deeds at Page 31. *should be 303-31*
4. A right of way for the purpose of ingress and egress as described in a deed made between Francis B. Thew and Marion G. Thew, his wife, to Jane Davey Corwin dated November 14, 1952, and recorded in the Essex County Clerk's Office in Book 301 of Deeds at Page 449.
5. Existing rights of way for telephone, electric or other utility lines.
6. Any state of facts which an accurate survey or personal inspection might disclose.

This deed is given pursuant to a Power of Attorney made by John W. Hoins, Jr. of Cascade Road in the Town of North Elba, County of Essex and State of New York to James H. Kerr, which Power was dated July 29, 1964 and recorded in the Essex County Clerk's Office in Book 423 of Deeds at Page 389, and a further Power of Attorney given by Katherine C. Hoins, wife of John W. Hoins, Jr. to said James H. Kerr, which Power is dated August 8, 1964 and recorded in the Essex County Clerk's Office in Book 423 of Deeds at Page 391.

BEING the same parcel of land, and the same description, together with the improvements thereon, as conveyed to Robert Allen Mark and Janet Shippee Mark by John W. Hoins, Jr. and Katherine C. Hoins by deed dated August 28, 1964 and recorded on September 1, 1964 in Book 424 of Deeds at Page 237 in the office of the Essex County Clerk at Elizabethtown, New York."

The premises conveyed hereby are subject to the terms and provisions of a purchase option agreement between Robert A. Mark and Janet S. Mark and North Country School dated 8/28/64 and recorded in said Clerk's office on 9/1/64 in Book 242 of Deeds at page 237, which said option agreement was modified by modification agreement between North Country School and Paul Grillo and Audrey Grillo in June, 1971, to permit the encumbrance of said optioned premises by the \$24,000 mortgage to Saranac Lake Federal Savings and Loan Association, which said mortgage is hereby assumed by the parties of the second part, and it is intended by the parties hereto that said option agreement is modified shall be extinguished and terminated by virtue of this conveyance and that the rights and obligations of each of the respective parties hereto shall be fully satisfied upon delivery and acceptance of this instrument. *Should be 424-227*

Mter
Salt

This conveyance is made and accepted SUBJECT to an indebtedness secured by a mortgage upon said premises held by Saranac Lake Federal Savings & Loan Assn. which mortgage was recorded in the Essex County Clerk's office on June 7, 1971 in Book 218 of Mortgages at page 249, on which there is an unpaid principal \$23,525.41 with interest from January 1, 1971 at the rate of 7% per annum, which said mortgage debt the party of the second part hereby assumes and agrees to pay as part of the purchase price of the above described premises, and the party of the second part hereby executes and acknowledges this instrument for the purpose of complying with the provisions of General Obligations Law, Section 5-705.

- Within 30 days after the end of each month, monthly investment account statements for each of the Borrower's investment accounts.
- Such other information as the Bank may request from time to time.

**Financial
Covenants:**

Debt Service Coverage Ratio. The Borrower shall maintain a ratio of "Operating Cash Flow" to "Total Debt Service" equal to at least 1.15 to 1.00, tested annually beginning on August 31, 2019. "Operating Cash Flow" shall mean, for any period, the change in unrestricted net assets plus interest, depreciation and amortization expenses, plus unrealized and realized investment losses, less unrealized and realized investment gains and extraordinary items. "Total Debt Service" shall mean, for any period, the total of (i) interest charges paid or required to be paid during such period, plus (ii) all regularly scheduled principal payments made or coming due in respect of any indebtedness for borrowed money or capital leases during such period.

Minimum Liquidity Ratio. The Borrower shall maintain a ratio of "Liquid Assets" to "Total Debt" equal to at least 0.60:1.00, tested annually beginning August 31, 2019. "Liquid Assets" shall mean unrestricted and temporarily restricted cash and cash equivalents and all other short-term and long-term investments of the Borrower (other than permanently restricted endowment funds). "Total Debt" shall mean all obligations outstanding to the Bank plus all other long-term indebtedness of the Borrower (i.e., indebtedness with a maturity greater than 12 months).

III. Additional Terms

**Deposit
Accounts:**

The Borrower shall establish within 30 days after the closing date and maintain throughout the term of the Facilities all of its primary operating accounts and project accounts at the Bank, from which debt service on the facilities will be debited. The Borrower will be permitted to maintain secondary accounts at a local financial institution for cash purposes, subject to a limitation on account balances to be agreed upon by the Bank and the Borrower prior to closing.

**Investment
Management:**

The Borrower shall establish on or prior to the closing date and maintain throughout the term of Facilities 2 and 3, an investment account with the Bank containing the Borrower's fixed income bond portfolio and cash endowment contributions (the "Investment Account"), including investments with a market value of at least \$4,800,000. Throughout the term of Facilities 2 and 3, the Borrower shall maintain in the Investment Account investments with a market value of at least \$4,800,000.

The Borrower agrees to meet with representatives of the Bank within six months of the closing date and consider, in good faith, engaging the Bank for (a) investment management and advisory services for its remaining investment funds, including the endowment, and (b) retirement plan advisory services for its 403(b) retirement plans.

**Title
Report:**

The Bank shall receive prior to closing, at the expense of the Borrower, a title report indicating that there are no mortgage liens or similar encumbrances on the Campus.

**Condition of
Property:**

(i) The Borrower shall provide to the Bank copies of all permits, certificates, consents, licenses and approvals necessary from the appropriate governmental or private authorities or agencies for the zoning, use, occupancy and operation of the Campus.

(ii) The Borrower shall provide to the Bank copies of all leases and occupancy agreements and all management, service and other contracts or arrangements affecting the use or operation of the Campus.

(iii) The Borrower shall provide to the Bank certificates of municipal liens and/or other evidence of payment of real estate taxes applicable to the Campus or evidence that the real property comprising the Campus is exempt from real estate taxes.

**Construction
Conditions:**

The Bank shall require the following with regard to the Project, at the expense of the Borrower:

- Receipt and satisfactory review of the construction contract for the Project with a contractor reasonably acceptable to the

Bank, which shall be a guaranteed maximum price contract and shall include an industry-based contingency reserve and retainage provision and shall otherwise be in form and substance satisfactory to the Bank;

- Confirmation that supporting payment and performance bonds have been issued (which requirement may be waived, in the Bank's sole discretion, if all major subcontractors are bonded);
- Review and approval of the construction budget, which shall include a line item for the cost of the Bank's construction consultant, comprising the initial review of plans and specifications (estimated to be \$5,000) and monthly inspections throughout construction (estimated to be \$1,500 per inspection);
- Review and approval of the construction schedule, plans, specifications, permits and approvals; and
- Conditional assignment of the construction contract, plans, specifications, permits and approvals to the Bank.

**Disbursement
Conditions:**

Construction proceeds will be disbursed in periodic installments as construction progresses in accordance with the Bank's construction disbursement conditions, including without limitation:

- Lien waivers from the general contractor and, at the Bank's request, any major subcontractors;
- Review of requisitions and inspection of work performed by the Bank's construction consultant, at the Borrower's expense;
- Confirmation that the undisbursed construction proceeds, together with other funds of the Borrower on deposit with the Bank for such purpose, are sufficient to complete the Project;
- Each disbursement will be subject to an appropriate retainage of amounts due to the contractor and each subcontractor;

- No default shall have occurred with respect to any Facility; and
- The final disbursement for each component of the Project is subject to receipt of an unconditional Certificate of Occupancy.

**Line of Credit
Advances:**

Advances under Facility 3 will be limited to the lesser of (i) \$1,000,000 or (ii) the aggregated discounted market value of the following securities and cash held in the Investment Account, less the outstanding balance of Facility 2. The securities and cash in the Investment Account will be discounted as follows (no value is attributed to securities not listed below):

- 50% of the market value of common stock with a share price greater than \$5.00 and less than \$10.00;
- 67% of the market value of common stock with a share price of \$10.00 or greater, provided that any portfolio containing the stock of only one issuer will be discounted by 50%;
- 80% of the market value of investment grade corporate or municipal bonds;
- 90% of the market value of U.S. Treasuries with a term greater than 5 years;
- 95% of the market value of U.S. Treasuries with a term of 5 years or less; and
- 90% of cash deposits.

**Late Charge/
Default Rate:**

The Borrower shall pay a late charge of 5% of any payment not received by the Bank within five days of the due date thereof. After the occurrence of an event of default, the facilities shall bear interest at a rate of 5% above the rate that would otherwise be in effect if no event of default had occurred.

Other Obligations: The Facilities and any other obligations of the Borrower to the Bank will be cross-defaulted.

**No Material
Changes:**

At the time of closing, there shall not be material, adverse changes in (i) the business, assets, operations, condition (financial or otherwise) or prospects of the Borrower from those relied on in preparing this Commitment or in the facts and information as represented to date as determined by the Bank in its discretion, or

(ii) the banking, financial or capital markets as determined by the Bank in its discretion.

**Contingent
Liabilities:**

At the time of closing, the Borrower shall not have any material contingent liabilities or pending litigation that could result in material liabilities or contingent liabilities not previously disclosed to the Bank in writing.

Documentation:

Execution and delivery of such customary bond documents and loan documents, as the Bank or its counsel deem necessary to evidence and document the facilities contemplated hereby, including a Loan and Security Agreement (or bond indenture and loan agreement), a Continuing Covenants Agreement, a Security Agreement (All Assets), a Pledge Agreement, a Negative Pledge, a Hazardous Materials Indemnity Agreement, Collateral Assignments of the Construction Contract, the Plans and Specifications and the Project Documents, a Springing Mortgage, a Line of Credit Loan Agreement, and a Demand Revolving Line of Credit Note (collectively, the "Financing Documents"), all in form and substance satisfactory to the Bank and its counsel and including such covenants, events of default and terms as the Bank deems necessary.

Any other documentation deemed appropriate by the Bank or its counsel required to close the Facilities shall be delivered to the Bank at or before closing.

**Other
Conditions:**

In addition to any other documents required herein, the Borrower shall furnish the Bank with each of the following documents at the Borrower's expense, the delivery of which, in form and content satisfactory to the Bank, shall constitute conditions precedent to closing the facilities:

(i) (a) Legal opinions of the Borrower's counsel in form and substance satisfactory to the Bank and its counsel, covering the due authorization, execution and delivery of the Financing Documents and such additional matters that the Bank, in its sole discretion, deems necessary, and (b) an unqualified written opinion of bond counsel with a reliance letter in favor of the Bank, in form and substance satisfactory to the Bank and its counsel, with respect to the due authorization and issuance of the Tax-Exempt Facilities and the exemption of interest on the Tax-Exempt Facilities from federal and state income taxes.

(ii) Evidence of property and casualty insurance and builder's risk insurance that is satisfactory in form and substance to the Bank and complying with the provisions in the Financing Documents pertaining to insurance.

(iv) Other documents or matters as may be required by the Bank to carry out the provisions and intent of this Commitment.

**Indemnification
And Expenses:**

Whether or not the transactions contemplated hereby are consummated, the Borrower agrees to indemnify and hold harmless the Bank, Boston Private Financial Holdings, Inc. and their respective directors, officers, employees, affiliates, agents and any other controlling persons (the "Indemnified Parties"), from and against all losses, claims, settlement agreements, obligations, damages, liabilities and expenses, joint or several, to which any such Indemnified Party may become subject arising out of or in connection with this Commitment, the Facilities, the use of proceeds of the extensions of credit thereunder or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any of such Indemnified Parties is a party thereto, and to reimburse each of such Indemnified Parties upon demand for any legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided, however, that the foregoing indemnity will not, as to any Indemnified Party, apply to losses, claims, damages, liabilities or related expenses to the extent resulting from the willful misconduct or gross negligence of such Indemnified Party as determined by a final order of a court of competent jurisdiction.

The transactions contemplated hereby shall be consummated without cost to the Bank. All expenses connected with the Facilities, including, without limitation, the cost of due diligence examinations and the Bank counsel's fees shall be due and payable at or prior to closing by the Borrower, and the Borrower agrees to pay such fees and expenses, whether or not the transactions contemplated hereby are consummated and whether or not this Commitment is terminated for any reason. Greenberg Traurig, LLP shall serve as counsel to the Bank; Bank counsel fees are estimated not to exceed \$40,000.

**No Other
Financing:**

Without the prior written consent of the Bank, the Borrower may not incur any further indebtedness or pledge as security for other indebtedness any of its assets, other than (i) existing indebtedness and liens permitted by the Bank as of the closing and (ii) purchase money indebtedness, capitalized leases, and similar facilities in an amount to be agreed upon by the Bank and the Borrower prior to closing.

**Borrower's
Representations:**

This Commitment has been issued to the Borrower on the basis of certain information and materials provided by the Borrower to the Bank or its agents, including, without limitation, the representations, information, exhibits, data and other materials submitted with, and in support of, the Borrower's loan application. Any misinformation or withholding of material information incident thereto shall, at the option of the Bank and without limitation to any other right or remedy of the Bank, void all of the Bank's obligations hereunder.

Modifications:

This Commitment may be amended only in a writing executed by the Borrower and the Bank.

Assignability:

This Commitment shall not be assignable by the Borrower without the prior written consent of the Bank, and the Facilities shall not be assumable.

Disclosure:

This Commitment is intended to be a confidential communication, and the Bank will expect you to kindly refrain from disclosing the content of the letter (other than to counsel, transaction participants, consultants, and accountants) without the consent of the Bank.

By the acceptance of this Commitment, the Borrower agrees that any terms and conditions expressed herein which in any way related to events or requirements occurring after closing, and which are not included in the Financing Documents shall survive closing of the Facilities and are to remain in full force until the payment in full of the principal balance of the Facilities, plus all accumulated interest and other associated costs.

If you are in acceptance with these terms and conditions, please indicate your acceptance by signing below and returning an executed copy to my attention by February 20, 2019. If you wish to lock-in the interest rates on Facilities 1 and 2 as described above, please also include the applicable Interest Rate Lock Fee. Upon receipt of the Interest Rate Lock Fee and a fully executed interest rate lock agreement in form and substance satisfactory to the Bank, the interest rates for Facilities 1 and 2 will be locked in for the applicable Interest Rate Lock Period, as

North Country School Inc.
February 19, 2019
Page 13

described above. If the Facilities do not close by the last day of the Interest Rate Lock Period, the interest rate lock will expire, and the interest rates on Facilities 1 and 2 will be set in accordance with the applicable formulas set forth above. If the Facilities do not close by the later of March 31, 2019 and, if applicable, the last day of the Interest Rate Lock Period, the Bank may, at its option, terminate this Commitment and its obligations contained herein. In the meantime, if you have any questions, please call me. This Commitment is not assignable by the Borrower and supersedes any and all prior understandings or Commitments regarding the substance of this letter.

We look forward to a mutually rewarding relationship.

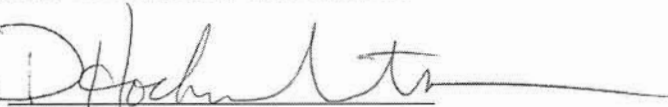
Sincerely,



Thatcher L. Freeborn
Senior Vice President, Boston Private Bank & Trust Company

ACCEPTED:

NORTH COUNTRY SCHOOL INC.

By: 
Its Duly Authorized Representative