

INDUSTRIAL DEVELOPMENT AUTHORITY

ITEM #1. The Governor and Executive Council, on motion of Councilor Rinker, seconded by Councilor Burton, authorized the following:

I. To consider the request of the Industrial Development Authority (the "Authority") of the State of New Hampshire that the Governor and Council make the findings required under RSA 162-I:9, as supplemented by Chapter 265 of the Laws of 1989, as amended, with respect to the proposed issuance of up to \$50,000,000 Airport Revenue Bonds (Manchester Airport Authority Project-Series 1992) (the "Bonds") by the Authority and the loan of proceeds of the Bonds to the City of Manchester (the "City") to finance costs of capital improvements to the City's airport facilities (the "Facilities") located in the City and in the Town of Londonderry, and presently known as the Manchester Airport.

II. To hold a public hearing with respect to said proposed issuance.

III. To consider the passage of a resolution entitled: A RESOLUTION UNDER RSA 162-I:9 AND CHAPTER 265 OF THE LAWS OF 1989, AS AMENDED, WITH RESPECT TO THE FINANCING OF AIRPORT FACILITIES BY THE INDUSTRIAL DEVELOPMENT AUTHORITY FOR THE CITY OF MANCHESTER AND THE AWARD OF A STATE GUARANTEE THEREFOR, including the award of a State guarantee of the principal of and interest on the Bonds, as authorized by Chapter 265.

A roll call vote was taken, the results are as follows:

Councilor Burton - yes
Councilor Spaulding - yes
Councilor Griffin - yes
Councilor Rinker - yes
Councilor Streeter - yes

EXTRACT FROM THE MINUTES OF THE MEETING OF THE
GOVERNOR AND COUNCIL HELD MAY 22, 1992
COUNCIL CHAMBER, STATE HOUSE, CONCORD

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At 8:30 A.M., The Governor announced that the matter to be considered would be the financing of an airport facility project by the Business Finance Authority (formerly, the Industrial Development Authority) for the City of Manchester and the proposed award of a state guarantee for the financing and declared that the public hearing on the subject had commenced. He said that he and the members of the Council had received the written recommendation of the Authority and other documentation and information with respect to the project. The Governor said that the meeting would then hear anyone wishing to speak on the subject. Clarke R. Chandler, Executive Director of the Authority, briefly explained the project, noted that this proposal was different from prior Authority Bond issues because it included a request that the State guarantee the Bonds, as authorized by the General Court, and introduced Kevin A. Clougherty, Finance Officer of the City of Manchester. Mr. Clougherty discussed the project and its importance to the City of Manchester and the State as a whole. Next Georgie A. Thomas, State Treasurer, spoke about the guarantee of the Bonds and the Guarantee Agreement. The Governor then repeated that the proceedings were a public hearing and asked whether any other person wished to speak; there being none, Councilor Rinker introduced a resolution entitled "A RESOLUTION UNDER RSA 162-I:9 AND CHAPTER 265 OF THE LAWS OF 1989, AS AMENDED, WITH RESPECT TO THE FINANCING OF AIRPORT FACILITIES BY THE

INDUSTRIAL DEVELOPMENT AUTHORITY FOR THE CITY OF MANCHESTER AND THE AWARD OF A STATE GUARANTY THEREFOR" and moved its adoption, which was seconded by Councilor Burton. After discussion of the resolution, the Governor called for a vote on the motion. Those voting in favor were: The Governor and Councilors Burton, Spaulding, Griffin, Rinker and Streeter; those abstaining were Councilor(s) None; and those voting against were Councilor(s) None. The Governor declared that the resolution was passed.

A RESOLUTION UNDER RSA 162-I:9 AND CHAPTER 265 OF THE
LAWS OF 1989, AS AMENDED, WITH RESPECT TO
THE FINANCING OF AIRPORT FACILITIES BY THE
INDUSTRIAL DEVELOPMENT AUTHORITY FOR
THE CITY OF MANCHESTER
AND THE AWARD OF A STATE GUARANTEE THEREFOR

WHEREAS, the Governor and Council (the "Governor and Council") of the State of New Hampshire (The "State") have received from The Industrial Development Authority of the State of New Hampshire or from such Authority as its name may have been changed (the "Authority") its written recommendation that the Governor and Council make certain findings and a determination pursuant to RSA 162-I:9, as supplemented by Chapter 265 of the Acts of 1989, as amended ("Chapter 265") with respect to the issuance and sale by the Authority of up to \$50,000,000 aggregate principal amount of revenue bonds (the "Bonds") to be used in connection with the financing of costs of capital improvements to the airport facilities (the "Project") presently known as the Manchester Airport and located within the corporate boundaries of the City of Manchester (the "City") and the Town of Londonderry; and

WHEREAS, the Governor and Council have received all the documentation and information with respect to the transaction which they have requested;

WHEREAS, further action by the Authority with respect to the transaction is subject to the passage of this resolution and cannot be taken until after its passage;

WHEREAS, pursuant to Chapter 265 the principal of and interest on the Bonds are to be guaranteed by the State; and

WHEREAS, Chapter 265 provides that in connection with the award of any state guarantee the Governor and Council may impose such terms and conditions as they may deem appropriate concerning the Bonds, the use and operation of the Project and the revenues therefrom, and reimbursement to the State if any State funds are used to honor the guarantee, such terms and conditions to be contained in a Guarantee Agreement between the State and the City (the "Guarantee Agreement").

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the Authority's recommendation and the documentation and information received by the Governor and Council, the Governor and Council find:

I. The Project proposed by the City is eligible to be financed by bonds of the Authority pursuant to Chapter 265.

II. The Project and the proposed financing thereof are feasible.

III. The City has the skills and financial resources necessary to operate the Project successfully.

IV. The combined financing and security document, the Loan and Trust Agreement among the Authority, the City and the First National Bank of Boston, as trustee, contains provisions such that under no circumstances will the Authority be obligated directly or indirectly to pay Project costs, debt service or expenses of operation, maintenance and upkeep of the Project, except from Bond proceeds or from revenues or funds provided under the Loan and Trust Agreement, exclusive of funds received thereunder by the Authority for its own use.

V. The Loan and Trust Agreement does not purport to create a debt of the State with respect to the Project except to the extent of the guarantee of the State awarded by Section 4 of this resolution.

VI. The proposed financing of the Project by the Authority and the proposed operation and use of the Project will serve one or more needs and implement one or more purposes of the State of New Hampshire (the "State") declared in Chapter 265 in supplementation to RSA 162-I:1, namely the development of the Project and will create or preserve employment opportunities, will preserve and increase the social and economic prosperity of the State and one or more of its political subdivisions and will promote the general welfare of citizens of the State.

Section 2. Finding and Determination. The Governor and Council hereby find that the proposed financing, operation and use of the Project will serve a public use and provide a public benefit; and the Governor and Council determine that the Authority's financing of the Project will be within the policy of, and the authority conferred by, RSA 162-I, as supplemented by Chapter 265.

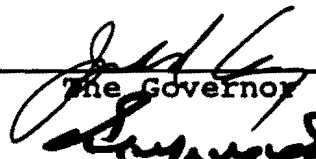
Section 3. Approval. The Governor and Council approve the Authority's taking such further action under RSA 162-I, as supplemented by Chapter 265, with respect to the transaction as may be required. It is also intended that this approval shall serve as the Governor's approval as required by Section 147 of the Internal Revenue Code of 1986, as amended.

Section 4. State Guarantee. Pursuant to Chapter 265, a State guarantee of the principal of and interest on the Bonds is hereby awarded. The State Treasurer is hereby authorized to sign an endorsement evidencing the state guarantee on each Bond in substantially the form provided by Chapter 265. The Governor and the State Treasurer are together hereby further authorized to


execute and deliver the Guarantee Agreement on behalf of the State, such Guarantee Agreement to be in substantially the form presented at this meeting, but with such changes as the Governor and the State Treasurer may approve, their signatures conclusively identifying the Guarantee Agreement as hereby approved. The Governor or State Treasurer are hereby further authorized to execute such other certificates or documents as may be necessary or appropriate to carry out the transaction.

Section 5. Effective Date. This resolution shall take effect upon its passage.

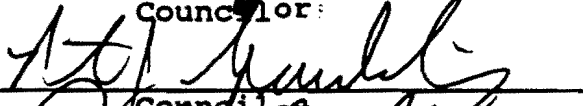
Passed and Agreed to May 22, 1992.



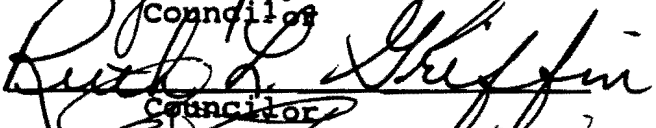
 The Governor



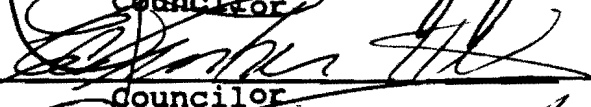
 Councilor



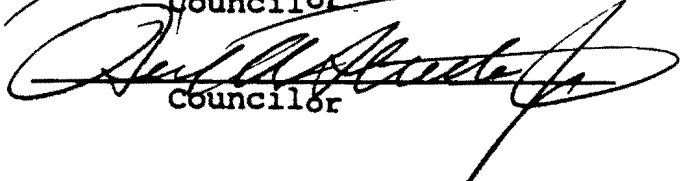
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