

CARTHAGE INDUSTRIAL DEVELOPMENT CORP.

SPECIAL MEETING SEPTEMBER 3, 2020

Present: Paul Smith, Tom Piche' (via phone), Wayne McIlroy, Bruce Ferguson, Scott Sullivan, David Zembiec, Timothy Farley, Esq. (via phone)

Special meeting was called to order by Mr. Smith at 12:00 noon to further discuss the negotiations on the assignment of the Northbrook lease on the hydro plant.

It was noted by Mr. Piche' that the Reserve Fund that currently has about \$260,000 be maintained and should be transferred over to CIDC at a local bank. Mr. Farley noted that we should see a bank statement for the reserve account to make sure that it is, in fact, in existence.

It was noted that notification of the assignment of the lease was given via email to Mr. Zembiec by Northbrook on August 18.

Regarding inspection of the property, we should ask for a copy of the actual inspection that was performed by the proposed new owners. It was noted that a full inspection should be done, including de-waterting of the plant. Tod Nash may be able to give an estimate of what that would cost. We also need information on the current FERC license.

Regarding the guarantee by Northbrook, Northbrook Energy, LLC the parent company currently guarantees Northbrook Carthage, LLC, and we want to have that stay in place. Why should we take the risk when Northbrook won't guarantee the new company?

It was suggested that we wait 60 or 90 days to make our decision to explore other avenues, and possibly look into other parties that may be interested.

Mr. Zembiec will summarize what happened at this meeting and get the notes to everyone to review. A letter will be drafted by Mr. Zembiec to Northbrook outlining our position at this point.

In order to continue the dialogue, another special meeting will be held on September 11, 2020 at 1:00 p.m. at the Town of Wilna Board room.