WHEREAS, the Rhode Island Industrial Facilities Corporation (the “Issuer”) is a public corporation of the State of Rhode Island and Providence Plantations (the “State”) organized and existing under Chapter 37.1 of Title 45 of The Rhode Island General Laws, as amended thereafter by the Rhode Island General Assembly (the “Act”) and is authorized pursuant to the Act, (i) to finance the acquisition, construction, equipping and furnishing of one or more projects, including all real and personal properties in connection therewith, (ii) to execute agreements of lease, conditional sales contracts, loan agreements, mortgages, construction contracts, operation contracts and other contracts and instruments necessary or convenient in the exercise of the powers and functions of the Issuer granted by the Act, (iii) to sell, exchange, mortgage, donate and convey any or all of its properties whenever such action is found to be in furtherance of the purposes for which the Issue was established, and (iv) to issue its bonds for the purposes of carrying out any of its corporate purposes and to mortgage and pledge any of its properties or parts thereof as security for such bonds; and

WHEREAS, the Issuer has determined that there exists a need for further development of commercial and industrial facilities within the State, that there exists a need for the abatement or control of pollution of the environment of the State and that, accordingly, it is in the public interest that the Board of Directors of the Issuer take such action as it lawfully may take to effectuate the foregoing purposes; and

WHEREAS, MedRecycler-RI, Inc. (the “Obligor”) has advised the Issuer that Obligor intends to purchase equipment for use in its medical waste to renewable energy operations to be located at 1600 Division Road, West Warwick, Rhode Island (the “Premises”) and to incur costs in connection therewith including, but not limited to, costs associated with acquisition and installation of said equipment and the renovation of the Premises, working capital and start-up costs by Obligor in its business operations, capitalized interest and funding of reserves and costs for bond issuance (such equipping, acquisition and incurring of costs in connection therewith is hereinafter referred to as the “Project”); and

WHEREAS, the Obligor has further advised the Issuer that a determination by the Issuer to issue up to Seventeen Million Two Hundred Thousand Dollars ($17,200,000.00) of its solid waste facility revenue bonds in one or more series (the “Bonds”) under the Act to assist the Obligor in financing the Project under a lease agreement or some other form of finance agreement, which, in any case, would provide for payments sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds will constitute a substantial inducement to the Obligor to proceed with the Project; and
WHEREAS, it is proposed that the Bonds may be issued in either a taxable and/or tax-exempt series, as determined by an opinion of bond counsel engaged the by Issuer; and

NOW, THEREFORE, be it resolved, that:

1. The Issuer finds and determines that the financing of the Project through the issuance of its revenue bonds is in furtherance of the public purposes of the Act, and that it is in the public interest that the Issuer take such actions as it lawfully may take to the end that financing of the Project may be undertaken.

2. In order to induce the Obligor to proceed with the Project, the Issuer hereby determines that:

   (i) It will authorize, issue and sell in one or more series of development revenue Bonds pursuant to the Act, in an aggregate principal amount of up to Seventeen Million Two Hundred Thousand Dollars ($17,200,000.00) to finance the Project, which may be either taxable or tax-exempt as determined by an opinion of bond counsel engaged by the Issuer, including reimbursement to the Obligor of expenditures made by the Obligor prior to the issuance of the Bonds in connection with the Project in the maximum amount of Seventeen Million Two Hundred Thousand Dollars ($17,200,000.00) and enter into a lease/loan agreement or some other form of finance agreement which would provide, in any case, that the payments to be paid by the Obligor shall be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable;

   (ii) It will adopt such further orders and resolutions and authorize the execution and delivery of such other instruments and the taking of such further action as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project; and

   (iii) It will take a cause to be taken such other actions as may be appropriate in pursuance thereof; provided that all of the foregoing, as well as all of the terms and conditions and provisions of security relating to the financing of the Project and the issuance of the Bonds shall be as authorized by law (including, without limitation, Section 45-37.1-13 of the General Laws of Rhode Island, as amended) and shall be acceptable to the Issuer and the Obligor.

3. The Chairman, Vice Chairman, Executive Director, and Treasurer of the Issuer are, and each hereby is, acting singly, authorized to take all actions which are necessary and proper to effectuate the intent of any of the resolutions adopted by the Issuer in connection with the Project.

4. This Resolution is an affirmative action of the Board of Directors of the Issuer towards the issuance of the Bonds in accordance with the purposes of the laws of the State. This Resolution constitutes the Issuers’ declaration of official intent to reimburse the Obligor for certain capital expenditures paid prior to the issuance of the Bonds. The amounts to be reimbursed shall not exceed Seventeen Million Two Hundred Thousand
Dollars ($17,200,000.00).

5. THIS IS A PRELIMINARY APPROVAL OF ISSUER ONLY AND THE BONDS CONTEMPLATED BY THIS RESOLUTION MAY NOT BE ISSUED UNLESS AND UNTIL THE ISSUER ADOPTS A FINAL APPROVAL RESOLUTION.

6. Issuance of the Bonds is subject to the following:

   a. An opinion of bond counsel to the Issuer specifying the amount of the Bonds to be issued in a tax-exempt series and the amount to be issued in a taxable series;

   b. A copy of an itemized list of machinery and equipment to be purchased or contributed to the Project acceptable to Issuer to be supported by quotes from the equipment supplier and an independent appraisal of the equipment;

   d. Receipt of all state and municipal permits, including but not limited to any and all permits required from the Department of Environmental Management, required to operate a medical waste to renewable energy facility at the Premises; and

   e. Receipt of the Governor’s approval letter required as part of the TEFRA process and a Determination from Statewide Planning that the Project is in conformance with the State-Wide Guide Plan and a letter from the West Warwick Town Council or the Town Manager of the Town of West Warwick, Rhode Island, endorsing the site development on the Premises all to be received prior to adoption of the Final Approval Resolution.

   f. Receipt of an Investor Letter satisfactory to Issuer staff, Board of Directors and/or counsel.

   g. Receipt of all other information, documents and due diligence deemed necessary by Issuer staff, Board of Directors and/or counsel in order to adopt a final approval resolution for the Bonds.

7. This Resolution amends and restates the Inducement Resolution adopted by the Issuer on March 27, 2019. This Resolution shall take effect immediately and shall expire on the date one (1) year from the date of its adoption, unless the Bonds are issued prior to such expiration date.

Adopted: October 24, 2019