

RESOLUTION NO. 13-46

**RESOLUTION CONSENTING TO THE PREPAYMENT BY THE TOWNSHIP OF GLOUCESTER OF THE
LOAN EXTENDED TO IT BY THE TRUST PURSUANT TO A LOAN AGREEMENT DATED AS OF
MAY 31, 2012**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), a public body corporate and politic duly created and existing pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State"), as amended and supplemented (the "Act"), is authorized, pursuant to Sections 5(m) and 9(a) of the Act, to make and contract to make loans pursuant to loan agreements with local government units and public water utilities (each a "Borrower") to finance a portion of the cost of environmental infrastructure system projects that Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds; and

WHEREAS, the Trust and the Township of Gloucester (the "Township"), a public body corporate and politic duly created and validly existing under the laws of the State, have entered into that certain Loan Agreement, dated as of May 31, 2012 (the "Loan Agreement"), pursuant to the terms of which the Trust made a loan to the Township (the "Loan"), from funds available to the Trust pursuant to its direct loan program (and not from the proceeds of tax-exempt bonds issued by the Trust), to finance a portion of the cost of the Project designated by the Trust and the New Jersey Department of Environmental Protection as Project No. S340364-08 (the "Project"); and

WHEREAS, due to unforeseen conditions at the site of the Project, the Township has not initiated, and cannot initiate or complete, the Project; and

WHEREAS, pursuant to the provisions of Section 3.07 of the Loan Agreement, the Township has provided written notice to the Trust that it seeks to prepay the Loan in full due to the unforeseen site conditions relating to the Project, such notice being in the form of a letter to the Executive Director of the Trust, dated February 7, 2013; and

WHEREAS, pursuant to Section 3.07 of the Loan Agreement, the prior written approval of the Trust is a condition precedent to such prepayment by the Township; and

WHEREAS, pursuant to the Loan Agreement, principal of and interest on the Loan, as well as Trust administrative fees, were due and payable as of August 1, 2013 from the Township to the Trust; and

WHEREAS, it is the desire of the Trust to (i) waive the requirement that the Township pay the principal of and interest on the Loan, and any Trust administrative fees, due and payable as of August 1, 2013 pursuant to the Loan Agreement, in anticipation of the prepayment in full of the Loan promptly following the effective date of this Resolution, and (ii) approve the prepayment of

the Loan in full by the Township from proceeds of the Loan that have not been requisitioned by the Township and that currently are on deposit with the Trust.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the “Board”) of the New Jersey Environmental Infrastructure Trust, as follows:

Section 1. The Board hereby waives the requirement that the Township pay the principal of and interest on the Loan, and any Trust administrative fees, due and payable as of August 1, 2013 pursuant to the Loan Agreement, in anticipation of the prepayment of the Loan in full in accordance with the terms of this Resolution.

Section 2. The Board hereby approves the request by the Township that it be permitted by the Trust to prepay the Loan in full pursuant to, and in satisfaction of, the applicable provisions of the Loan Agreement, including, without limitation, Section 3.07 of the Loan Agreement, from proceeds of the Loan that have not been requisitioned by the Township and that currently are on deposit with the Trust.

Section 3. The Chairman, the Vice Chairman and the Executive Director of the Trust (each, an “Authorized Officer”) are each hereby severally authorized and directed to (i) execute such certificates, instruments or other documents, in such form and with such terms and conditions as are consistent with the terms and provisions of this Resolution, and as any Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, determines to be necessary, convenient or desirable, to effect the transactions contemplated hereby in a manner consistent herewith, and (ii) take such other actions as any Authorized Officer, in his respective sole discretion, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, deems necessary, convenient or desirable to effect the transactions contemplated hereby.

Section 4. This Resolution shall take effect immediately, subject to the provisions of the Act.

Adopted Date: August 8, 2013

Motion Made By: Mr. Briant

Motion Seconded By: Mr. Requa

Ayes: 6

Nays: 0

Abstentions: 0