EnergyTrust of Oregon

Board Decision

Renewing a $4 Million Line of Credit at the Bank of the Cascades

April 1, 2009

Summary

The Energy Trust wishes to renew the $4 million line of credit with the Bank of the Cascades.

Background

- The Energy Trust board first approved a $4 million line of credit in March, 2002. The limit was subsequently reduced to $1 million and in December, 2005, restored to $4 million. The Energy Trust established a $4 million line of credit with its new bank, the Bank of the Cascades in April 2006.
- The Bank of the Cascades authorized a commitment for a revolving line of credit in the amount of $4 million to bridge timing issues of revenue receipt and program expense, conditioned upon the board's approval by resolution.
- The line of credit at the Bank of the Cascades will expire on April 1, 2009.
- The Finance Committee discussed the line of credit at its meeting on March 23 and they recommend renewing a $4 million line of credit at the Bank of the Cascades to be effective through March 31, 2010.

Recommendation

- Approve resolution 510 renewing a $4 million line of credit at the Bank of the Cascades.

RESOLUTION 510
RENEWING A $4 MILLION LINE OF CREDIT
AT THE BANK OF THE CASCADES

WHEREAS:

1. **The Energy Trust board first approved a $4 million line of credit in March, 2002. The limit was subsequently reduced to $1 million and in December, 2005, restored to $4 million.**

2. **The Energy Trust established such line of credit with the Bank of the Cascades in April 2006.**

3. **The Energy Trust wishes to renew such line of credit with the Bank of the Cascades to be effective through March 31, 2010.**

4. **The Bank of the Cascades has authorized a commitment for a revolving line of credit in the amount of $4M to bridge timing issues of revenue receipt and program expense, conditioned upon the board's approval by resolution.**

IT IS THEREFORE RESOLVED: by the Energy Trust of Oregon, Inc., Board of Directors:

1. **That this corporation, Energy Trust of Oregon, Inc., may:**
   - **Borrow up to $4 million from a revolving unsecured line of credit offered by the Bank of the Cascades at an interest rate of prime minus .50% to bridge timing issues of revenue receipt and program expense.**
   - **Repay the line of credit with monthly interest payments and principal due at maturity, within one year from the date of the agreement.**

2. **Any two (2) of the following officers of this corporation, one a representative from management and one a representative from the board:**
   a. **President**
   b. **Vice President**
   c. **Treasurer**
   d. **Executive Director**
   e. **Chief Financial Officer**

   are hereby authorized and directed, in the name of this corporation to execute and deliver to Bank and the Bank is requested to accept the credit agreements, letter of credit applications and agreements, or other instruments, agreements and documents which evidence the obligations of this corporation under the credit facilities obtained or to be obtained pursuant to this resolution.

3. **The Bank is authorized to act upon the foregoing resolutions until written notice of revocation is received by the Bank, and the authority hereby granted shall apply with equal force and effect to the successors in office of the authorized officers.**

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]