

**PUBLIC HEARING RESOLUTION
VIKING INDUSTRIES, INC. REFUNDING PROJECT 2013**

A special meeting of the members of Ulster County Industrial Development Agency (the "Issuer") was convened in public session at the Karen Binder Legislative Library, 6th Floor, 244 Fair Street, Kingston, New York on April 10, 2013 at 8:00 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chairman of the Issuer and, upon roll being called, the following members of the members of the Issuer were:

PRESENT:

David O'Halloran	Chairman
John Morrow	Secretary
Stephen Perfit	Treasurer
Paul Colucci	Assistant Chairman/Assistant Secretary
Mike Horodyski	Assistant Chairman/Assistant Secretary
Robert Kinnin	Assistant Chairman/Assistant Secretary
James Malcolm	Assistant Chairman/Assistant Secretary

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

March Gallagher	Ulster County Director of Business Services
Linda Clark	Office of Business Services
A. Joseph Scott, III, Esq.	Issuer and Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. __-__

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF VIKING INDUSTRIES, INC.

WHEREAS, Ulster County Industrial Development Agency (the "Issuer") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 787 of the 1976 Laws of New York, as amended, constituting Section 923 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general

prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more “projects” (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Viking Industries, Inc., a New York corporation (the “Company”), has submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Initial Project”) for the benefit of the Company, said Initial Project consisting of the following: (A)(1) the refinancing and/or refunding of the Multi-Mode Variable Rate Industrial Development Revenue Bonds (Viking Industries, Inc. Project - Letter of Credit Secured), Series 1998A in the original aggregate principal amount of \$2,200,000 (the “1998 Bonds”) issued on or about December 9, 1998 by the Issuer, which 1998 Bonds were issued to finance a portion of the following project (the “1998 Project”): (a)(i) the acquisition of a parcel of real estate located at 89 South Ohioville Road in the Town of New Paltz, Ulster County, New York containing approximately 34.6 acres (the “Land”), together with an existing 30,000 square foot building located thereon (the “Existing Facility”); (ii) the construction on the Land of an addition to the Existing Facility to contain approximately 30,000 square feet of space (the “Addition”) (the Existing Facility and the Addition hereinafter collectively referred to as the “Facility”); and (iii) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being hereinafter collectively referred to as the “1998 Project Facility”), (b) the financing of all or a portion of the costs of the foregoing by the issuance of the 1998 Bonds; and (c) the sale of the 1998 Project Facility by the Issuer to the Company, and (2) the refinancing and/or refunding of the Multi-Mode Industrial Development Revenue Bonds (Viking Industries, Inc. Project - Letter of Credit Secured) Series 2005A in the original aggregate principal amount of \$1,600,000 (the “2005 Bonds”) issued on or about December 9, 2005 by the Issuer, which 2005 Bonds were issued to finance a portion of the following project (the “2005 Project”): (a)(i) the acquisition of an interest in the Land, together with two existing buildings located thereon, one containing 50,000 square feet (the “Large Existing Facility”), the other containing 1,000 square feet (the “Small Existing Facility”, and collectively with the Large Existing Facility, the “Existing Facilities”); (ii) the construction on the Land of a new addition to the Large Existing Facility containing approximately 30,000 square feet of space (collectively hereinafter referred to as the “2005 Addition”) (the Existing Facilities and the 2005 Addition hereinafter collectively referred to as the “2005 Facility”) and (iii) the acquisition and installation therein and thereon of certain machinery and equipment (the “2005 Equipment”) (the Land, the 2005 Facility and the 2005 Equipment being hereinafter collectively referred to as the “2005 Project Facility”), all of the foregoing constituting a facility operated by the Company for the manufacture of corrugated packaging and related products (the 1998 Project Facility and the 2005 Project Facility are sometimes hereinafter collectively referred to as the “Initial Project Facility”); (b) the financing of all or a portion of the costs of the foregoing by the issuance of the 2005 Bonds; and (c) the sale of the 2005 Project Facility by the Issuer to the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, presently estimated to not exceed \$2,000,000 (the “Obligations”); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (D) the lease (with an obligation to purchase) or sale of the Initial Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Issuer providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Issuer, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, with respect to any portion of the Obligations intended to be issued as federally tax-exempt obligations, interest on such portion of the Obligations will not be excludable from gross income for federal income tax purposes unless pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations of the United States Treasury Department thereunder (the “Treasury Regulations”), the issuance of such portion of the Obligations is approved by the County Executive of Ulster County, New York after the Issuer has held a public hearing pursuant to Section 147(f) of the Code on the nature and location of the Initial Project Facility and the issuance of such portion of the Obligations; and

WHEREAS, the Issuer desires to provide for compliance with the provisions of Section 859-a of the Act and Section 147(f) of the Code with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Issuer hereby authorizes the Chief Executive Officer of the Issuer, after consultation with the directors of the Issuer and the Issuer’s Counsel and Bond Counsel, (A) to establish the time, date and place for a public hearing of the Issuer to hear all persons interested in the Initial Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in a city, town or village where the Initial Project Facility is located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Initial Project Facility is located, such notice or notices to comply with the requirements of Section 859-a of the Act and Section 147(f) of the Code and to be published no fewer than fourteen (14) days prior to the date established for such Public Hearing; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Initial Project Facility is located no fewer than fourteen (14) days prior to the date established for such Public Hearing; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the “Public Hearing Report”) to be promptly prepared and cause copies of said Public Hearing Report to be made available to the directors of the Issuer; and (F) if any portion of the Obligations is intended to be issued as federally tax-exempt obligations, to cause copies of said Public Hearing Report to be made available to the County Executive of Ulster County, New York.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Issuer is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chairman, Vice Chairman and/or Chief Executive Officer of the Issuer in connection with the Public Hearing with respect to the Initial Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

David O'Halloran	VOTING	_____
John Morrow	VOTING	_____
Stephen Perfit	VOTING	_____
Paul Colucci	VOTING	_____
Mike Horodyski	VOTING	_____
Robert Kinnin	VOTING	_____
James Malcolm	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ULSTER)

I, the undersigned (Assistant) Secretary of Ulster County Industrial Development Agency (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Issuer, including the Resolution contained therein, held on April 10, 2013 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 10th day of April, 2013.

(Assistant) Secretary

(SEAL)