

**BOND RESOLUTION
VIKING INDUSTRIES, INC. REFINANCING PROJECT**

A regular 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 May 15, 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:

Mike Horodyski	Chairman
John Morrow	Secretary
Stephen Perfit	Treasurer
Paul Colucci	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 ISSUANCE AND SALE BY ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF ITS INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BOND (VIKING INDUSTRIES, INC. PROJECT), SERIES 2013A IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO MILLION DOLLARS (\$2,000,000) AND THE EXECUTION OF VARIOUS DOCUMENTS RELATED THERETO.

WHEREAS, the Issuer is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 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 industrial, manufacturing, warehousing, commercial, research, 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 equipping of one or more “projects” (as defined in the Act), to acquire, construct, reconstruct and equip said projects or to cause said projects to be acquired, constructed, reconstructed and equipped, and to convey said projects or to lease said projects (with an obligation to purchase); and

WHEREAS, on or about December 9, 1998, the Issuer issued its 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”) for the benefit of Viking Industries, Inc. (the “Company”) to finance a portion of the following project (the “1998 Project”): (A)(1) 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”); (2) 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 (3) 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 pursuant to an installment sale agreement dated as of December 1, 1998 (the “1998 Installment Sale Agreement”) by and between the Issuer and the Company; and

WHEREAS, the 1998 Bonds were issued under a resolution adopted by the members of the Issuer on October 28, 1998 (the “1998 Bond Resolution”) and a trust indenture dated as of November 1, 1998 (the “1998 Indenture”) by and between the Issuer and U.S. Bank National Association as successor in interest to Star Bank, N.A., as trustee (the “Trustee”) for the holders of the 1998 Bonds; and

WHEREAS, simultaneously with the issuance of the 1998 Bonds, (A) the Company and the Issuer executed and delivered a certain deed (the “Deed”), pursuant to which the Company transferred a fee interest in the Land and the 1998 Project Facility to the Issuer, (B) the Company executed and delivered a bill of sale dated as of November 1, 1998 (the “1998 Bill of Sale to Issuer”) from the Company to the Issuer, pursuant to which the Company conveyed to the Issuer its interest in the portion of the 1998 Project Facility constituting fixtures and other personal property, and (C) the Issuer executed and delivered the 1998 Installment Sale Agreement; and

WHEREAS, as security for the 1998 Bonds, the Company entered into a letter of credit and reimbursement agreement dated as of November 1, 1998 (the “1998 Reimbursement Agreement”) with KeyBank National Association (the “Bank”), pursuant to which the Bank issued in favor of the Trustee an irrevocable transferable direct-pay letter of credit (the “1998 Letter of Credit”), said 1998 Letter of Credit in an original maximum amount (which shall decline at fixed intervals) equal to \$2,247,255, said sum representing the aggregate of (A) the principal amount of the 1998 Bonds outstanding, plus (B) ninety-eight (98) days’ interest on the 1998 Bonds Outstanding, under which the Bank is obligated to pay to the Trustee, upon presentation of a sight draft and required accompanying documentation, the amount necessary to pay the principal of, and interest and Sinking Fund Payments (as defined in the 1998 Indenture) on, the 1998 Bonds then due and payable; and

WHEREAS, as additional security for the 1998 Bonds and the Company's obligation under the 1998 Reimbursement Agreement, (A) the Issuer executed and delivered to the Trustee a pledge and assignment dated as of November 1, 1998 (the "1998 Pledge and Assignment") from the Issuer to the Trustee, which 1998 Pledge and Assignment assigned to the Trustee certain of the Issuer's rights under the 1998 Installment Sale Agreement, and (B) the Issuer and the Company executed and delivered to the Trustee and the Bank a mortgage dated as of November 1, 1998 (the "1998 Mortgage") from the Issuer and the Company to the Trustee and the Bank, which 1998 Mortgage, among other things, granted to the Trustee and the Bank a first mortgage lien on, and a security interest in, the 1998 Project Facility. Pursuant to the 1998 Pledge and Assignment, installment purchase payments made by the Company under the 1998 Installment Sale Agreement are to be paid directly to the Trustee; and

WHEREAS, the (A) Company's obligation (1) to make all installment purchase payments under the 1998 Installment Sale Agreement and (2) to perform all obligations related thereto and (B) Issuer's obligation to repay the 1998 Bonds were further secured by a guaranty dated as of November 1, 1998 (the "1998 Company Guaranty") from the Company to the Trustee; and

WHEREAS, on or about December 9, 2005, the Issuer issued its 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") for the benefit of the Company to finance a portion of the following project (the "2005 Project"): (A)(1) 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"); (2) 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 (3) 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; (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 pursuant to the amendment to the 1998 Installment Sale Agreement dated as of December 1, 2005 (the "2005 Amendment to Installment Sale Agreement" and collectively with the 1998 Installment Sale Agreement, the "Prior Installment Sale Agreement"); and

WHEREAS, the 2005 Bonds were issued under a resolution adopted by the members of the Issuer on November 30, 2005 (the "2005 Bond Resolution") and a supplemental indenture dated as of December 1, 2005 (the "2005 Supplemental Indenture") (collectively with the 1998 Indenture, the "Indenture") by and between the Issuer and the Trustee; and

WHEREAS, prior to or simultaneously with the issuance of the 2005 Bonds, the Company executed and delivered a bill of sale dated as of December 1, 2005 (the "2005 Bill of Sale to Issuer") from the Company to the Issuer, pursuant to which the Company conveyed to the Issuer its interest in the portion of the 2005 Project Facility constituting fixtures and other personal property; and

WHEREAS, as security for the 2005 Bonds, the Bank reissued in favor of the Trustee an amended and restated irrevocable transferable direct-pay letter of credit (the "Letter of Credit"), in an amount equal to the aggregate of the outstanding principal amount of the Bonds and the 2005 Bonds, together with a certain number of days' interest thereon. The Letter of Credit replaced the 1998 Letter of Credit; and

WHEREAS, the Letter of Credit was issued pursuant to a first amended and restated letter of credit reimbursement agreement dated as of December 1, 2005 (the "Reimbursement Agreement") between the Company and the Bank; and

WHEREAS, as security for the 2005 Bonds, the Issuer executed and delivered to the Trustee a certain amendment to pledge and assignment dated as of December 1, 2005 (the "2005 Amendment to Pledge and Assignment", and collectively with the 1998 Pledge and Assignment, the "Prior Pledge and Assignment") from the Issuer to the Trustee, which Pledge and Assignment assigned to the Trustee certain of the Issuer's rights under the Prior Installment Sale Agreement; and

WHEREAS, as additional security for the 2005 Bonds and the Company's obligation under the Reimbursement Agreement, the Issuer and the Company executed and delivered to the Trustee and the Bank a first amended and restated mortgage dated as of December 1, 2005 (the "2005 Mortgage") from the Issuer and the Company to the Trustee and the Bank, which 2005 Mortgage, among other things, grants to the Trustee and the Bank a first mortgage lien on, and a security interest in, the 1998 Project Facility and the 2005 Project Facility; and

WHEREAS, in connection with the issuance of the 2005 Bonds, the Issuer and the Company executed and delivered a payment in lieu of tax agreement dated as of December 1, 2005 (the "Payment in Lieu of Tax Agreement") by and between the Issuer and the Company; and

WHEREAS, in April, 2013, the Company 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, by resolution adopted by the members of the Issuer on April 10, 2013 (the “Public Hearing Resolution”), the Issuer agreed to accept the Application and authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Initial Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Administrative Director of the Issuer (A) caused notice of public hearing of the Issuer (the “Public Hearing”) pursuant to Section 859-a of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), to hear all persons interested in the Initial Project and the financial assistance being contemplated by the Issuer with respect to the Initial Project, to be mailed on April 17, 2013 to the chief executive officers of the county and of each city, town, village and school district in which the Initial Project is to be located, (B) caused notice of the Public Hearing to be published on April 17, 2013 in The Daily Freeman, a newspaper of general circulation available to the residents of the Town of Ulster, Ulster County, New York, (C) conducted the Public Hearing on May 2, 2013 at 7:00 o’clock, p.m., local time at the Conference Room of the Town of New Paltz Town Hall, 1 Veteran’s Drive, Town of New Paltz, Ulster County, New York, and (D) prepared a report of the Public Hearing (the “Report”) which fairly summarized the views presented at the Public Hearing and distributed same to the members of the Issuer and to the County Executive of Ulster County, New York; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Issuer on May 15, 2013 (the “SEQR Resolution”), the Issuer determined that the Initial Project constitutes a “Type II action” and that, accordingly, no further action under SEQRA is required to be taken by the Issuer with respect to the Initial Project; and

WHEREAS, pursuant to a proposal issued (the “Bond Purchase Commitment”) by Key Government Finance, Inc. (the “Holder”), and accepted by the Company, the Holder agreed, subject to satisfaction of numerous conditions, to provide financing for the Initial Project by purchasing a tax-exempt bond of the Issuer in the principal amount of not to exceed \$2,000,000; and

WHEREAS, the Issuer will now issue its Industrial Development Revenue Refunding Bond (Viking Industries, Inc. Project), Series 2013A in the principal amount of not to exceed \$2,000,000 (the “Bond”) for the purpose of financing a portion of the cost of the Initial Project. The Bond is to be issued under this resolution of the Issuer adopted by the members of the Issuer on May 15, 2013 (the “Bond Resolution”) and a bond purchase agreement dated as of May 1, 2013 (the “Bond Purchase Agreement”)

by and among the Issuer, the Company and the Holder, as original purchaser of the Bond and as collateral agent; and

WHEREAS, simultaneously with the issuance of the Bond, for the purpose of undertaking and completing the Project, (A) the Company and the Issuer will execute and deliver a certain consolidated, amended and restated installment sale agreement dated as of May 1, 2013 (the "Installment Sale Agreement") by and between the Issuer and the Company and certain other documents related to the Project and to the Bond; and

WHEREAS, to secure the Bond, the Issuer will execute and deliver to the Holder a pledge and assignment dated as of May 1, 2013 (the "Pledge and Assignment"), which Pledge and Assignment assigns to the Holder certain of the Issuer's rights under the Installment Sale Agreement. Pursuant to the Pledge and Assignment, installment purchase payments made by the Company under the Installment Sale Agreement are to be paid directly to the Holder; and

WHEREAS, to further secure the Bond, the Company, RD Croce Family Holdings, LLC (the "Corporate Guarantor") and the Issuer will execute and deliver to the Holder a mortgage, security agreement, assignment of leases and rents, and fixture filing dated as of May 1, 2013 (the "Mortgage") which Mortgage grants to the Holder a lien on and security interest in the Initial Project Facility; and

WHEREAS, the (A) Company's obligation (1) to make all installment purchase payments under the Installment Sale Agreement and (2) to perform all obligations related thereto and (B) Issuer's obligation to repay the Bond will be further secured by a guaranty dated as of May 1, 2013 (the "Guaranty") from the Company and the Corporate Guarantor to the Holder; and

WHEREAS, further security for the (A) Company's obligation (1) to make all installment purchase payments under the Installment Sale Agreement and (2) to perform all its obligations related thereto and (B) Issuer's obligation to repay the Bond will be provided by a personal guaranty and negative pledge agreement from Richard D. Croce (the "Individual Guarantor") to the Holder dated as of May 1, 2013 (the "Individual Guaranty"); and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute a statement of election (the "Statement of Election") electing that the \$10 million limit set forth in Section 144(a)(4) of the Code be applicable to the Bond, (2) execute an arbitrage certificate dated the date of delivery of the Bond (the "Arbitrage Certificate") relating to certain requirements set forth in Section 148 of the Code, (3) execute a completed Internal Revenue Service ("IRS") Form 8038 (Information Return for Private Activity Bond) relating to the Bond (an "Information Return") pursuant to Section 149(e) of the Code, and (4), upon receipt from NYSDDED of the certification required by Section 149(e)(2)(F) of the Code (the "Volume Cap Certificate"), file the Information Return with the IRS, (B) the Company will execute a tax regulatory agreement dated the date of delivery of the Bond (the "Tax Regulatory Agreement") relating to the requirements in Sections 144, 146, 147, 148 and 149 of the Code and (C) the Holder will execute a letter (the "Issue Price Letter") confirming the issue price of the Bond for purposes of Section 148 of the Code;

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

Section 1. The Issuer hereby finds and determines that:

(A) By virtue of the Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Initial Project constitutes a “project,” as such term is defined in the Act; and

(C) The undertaking and completion of the Initial Project Facility and the sale of the Initial Project Facility on an installment basis to the Company will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the Ulster County, New York and the State of New York and improve their standard of living; and

(D) It is desirable and in the public interest for the Issuer to issue and sell its Bond in the principal amount of not to exceed Two Million Dollars (\$2,000,000) upon the terms and conditions set forth in the Bond Purchase Agreement for the purpose of financing a portion of the costs of the undertaking and completion of the Initial Project, together with necessary incidental expenses in connection therewith.

Section 2. In consequence of the foregoing, the Issuer hereby determines to (A) issue the Bond on the terms and conditions set forth in the Bond Purchase Agreement, (B) sell the Bond to the Holder pursuant to the Bond Purchase Agreement, (C) use the proceeds of the Bond to pay a portion of the costs of issuance of the Bond and a portion of the costs of the undertaking of the Initial Project, (D) sell the Initial Project Facility on an installment basis to the Company pursuant to the Installment Sale Agreement, (E) secure the Bond by assigning to the Holder pursuant to the Pledge and Assignment certain of the Issuer’s rights under the Installment Sale Agreement (except the Unassigned Rights, as defined therein), including the right to collect and receive amounts payable thereunder (except for amounts payable pursuant to the Unassigned Rights), (F) further secure the Bond by granting a mortgage lien on and security interest in the Initial Project Facility pursuant to the Mortgage, (G) provide for the prior redemption and pay-off of the 1998 Bonds and the 2005 Bonds and termination of certain of the documents entered into in connection with the issuance of the 1998 Bonds and the 2005 Bonds,, (H) execute the Statement of Election, the Arbitrage Certificate and the Information Return, (I) allocate to the Bond a portion of the Issuer’s Volume Cap in an amount sufficient to provide for the issuance of the Bond in a principal amount not to exceed \$2,000,000, and (J) file the Information Return with the IRS.

Section 3. The Issuer is hereby authorized to acquire an interest in the Initial Project Facility pursuant to the Lease to Issuer, the License to Issuer and the Bill of Sale to Issuer (collectively, the “Conveyance Documents”) and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Issuer with respect to such acquisition and grant are hereby approved, ratified and confirmed.

Section 4. The form and substance of the Conveyance Document, the Bond, the Installment Sale Agreement, the Bond Purchase Agreement, the Pledge and Assignment, the Mortgage, the Arbitrage Certificate, the Statement of Election and the Information Return (collectively, the “Issuer Documents”) are hereby approved.

Section 5. The Issuer hereby elects to allocate to the Bond a portion of the Issuer’s Volume Cap for calendar year 2013 in an amount sufficient to provide for the issuance of the Bond in a principal amount not to exceed \$2,000,000.

Section 6. The Issuer hereby elects to have the \$10,000,000 limitation contained in Section 144(a)(4) of the Code apply to the Bond and hereby authorizes the filing of the Information Return with the IRS.

Section 7. Subject to the execution and delivery of a certificate executed by the County Executive of Ulster County evidencing the approval of the issuance of the Bond for the purposes of Section 147(f) of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver to the Holder its Bond in the principal amount not to exceed Two Million Dollars (\$2,000,000) in the form heretofore approved in Section 4 of this Bond Resolution upon compliance with the provisions of the Bond Purchase Agreement, provided that:

(A) The Bond authorized to be issued, executed, sold and delivered pursuant to this Section 7 shall (1) be issued, executed and delivered at such time as the Chairman (or Vice Chairman) of the Issuer shall determine, and (2) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Bond and in the Bond Purchase Agreement, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Bond Resolution.

(B) The Bond shall be issued solely for the purpose of providing funds to finance a portion of the costs of the undertaking and completion of the Initial Project Facility and a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the undertaking and completion of the Initial Project Facility and incidental to the issuance of the Bond.

(C) Neither the members nor officers of the Issuer, nor any person executing the Bond or any of the Financing Documents (as hereinafter defined) on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Bond and the interest thereon are not and shall never be a debt of the State of New York, Ulster County, New York or any political subdivision thereof (other than the Issuer), and neither the State of New York, Ulster County, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

(D) The Bond, together with interest payable thereon, shall be a special obligation of the Issuer payable solely from certain of the revenues and receipts derived from the sale or other disposition of the Initial Project Facility or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the Guaranty and the other security pledged to the payment thereof.

(E) Notwithstanding any other provision of this Bond Resolution, the Issuer covenants that it will make no use of the proceeds of the Bond or of any other funds (other than the Issuer's administrative fee) which, if such use had been reasonably expected on the date of issuance of the Bond, would have caused the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 8. (A) The Chairman (or Vice Chairman) of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Issuer Documents and the other documents related thereto in connection therewith (collectively with the Issuer Documents, the "Financing Documents"), and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof presented to this meeting with

such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Issuer is hereby further authorized, on behalf of the Issuer, to designate any additional Authorized Representatives of the Issuer (as defined in and pursuant to the Installment Sale Agreement).

Section 9. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Bond Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer.

Section 10. This Bond Resolution shall take effect immediately and the Bond is hereby ordered to be issued in accordance with this Bond Resolution.

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

Mike Horodyski	VOTING	_____
John Morrow	VOTING	_____
Stephen Perfit	VOTING	_____
Paul Colucci	VOTING	_____
Robert Kinnin	VOTING	_____
James Malcolm	VOTING	_____

The foregoing Bond 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 annexed extract of the minutes of the meeting of the Issuer, including the resolution contained therein, held on May 15, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar 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 public 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 15th day of May, 2013.

(Assistant) Secretary

(S E A L)