

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and Section 859-a of the General Municipal Law a public hearing was held by the Essex County Industrial Development Agency (the “Agency”) on May 23, 2016, 2016 at 9 a.m., local time, at the offices of the Agency located at 7566 Court Street, Elizabethtown, New York, in connection with the following matters:

The agency has authorized up to \$5,000,000 of tax-exempt industrial development revenue bonds, the interest on which will be excluded from gross income for federal income tax purposes for the project described below.

Champlain Valley Milling, Inc., a New York corporation, and its successors and assigns (the “Company”), located in Westport, New York, has applied to the Essex County Industrial Development Agency (the “Agency”) to issue tax-exempt industrial development revenue bonds in one or more series as part of a plan of finance in an aggregate principal amount not to exceed \$5,000,000 (the “Bonds”). The Agency plans to issue the Bonds for the purpose of (A) financing (i) the construction, reconstruction, equipping and installation of buildings and building improvements and equipment, including fixtures, as part of the Company’s flour product manufacturing business, to be located at 19 Myers Way in the Town of Willsboro, New York 12996 (the “Facility”), which Facility will include an approximately 29,000 ft building and a 70-ft silo, and (ii) certain costs of issuing the Bonds (together with the Facility, hereinafter collectively referred to as the “Project”); (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law of the State) with respect to the foregoing, including exemption from certain deed transfer taxes, transfer gains tax, sales and use taxes, and mortgage recording taxes (together with the Bonds, the “Financial Assistance”); and (C) the lease and sale of the Project to the Company. During the lease term, the Facility will be owned by the Agency and leased to the Company, and operated by the Company.

The Project will be subject to a financing agreement (the “Agreement”) requiring that the Company make payments equal to the debt service on the Bonds and make certain other payments. 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, being 6 NYCRR Part 617, as amended (the “Regulations”), the Agency has determined that the Project does not have a “significant effect on the environment” (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of an environmental assessment form. Such determinations shall be and shall be deemed to be in conformity with similar determinations issued by the Adirondack Park Agency.

At public hearing the Agency discussed and determined (i) the applicability of Section 862(2) of the General Municipal Law relating to Project eligibility for financial assistance, and (ii) compliance with Section 875 of the General Municipal Law relating to the “clawback” of financial assistance and the Agency’s requirement of cooperation, indemnify and hold harmless from the Company in the Agency’s colorable and good faith compliance with said Section 875 and (iii) the issuance of the Bonds to finance the Project.

The Bonds will be a special obligation of the Agency payable solely from revenue derived from the Company or the Facility under the Agreement. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, ESSEX COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, ESSEX COUNTY, SHALL BE LIABLE THEREON.

The following person(s) were present at the public hearing: Chairman Darren Darrah and IDA staff Jody Olcott. With no public attendance or written comments received the hearing closed at 9:15AM.