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STATE OF NEW YORK COUNTY OF NIAGARA,

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In the matter of  
the  
Niagara County Industrial Development Agency  
public hearing held for  
NIAGARA SHEETS, LLC  
on November 16, 2007  
at 3:30 P.M.  
at the Vantage Center  
Wheatfield, New York

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APPEARANCES: LAWRENCE WITUL,  
Assistant Director for NCIDA.  
ANDREA P. EGOLF,  
Court Reporter.

1 MR. WITUL: Would  
2 everybody please sign the attendance sheet.  
3 I'm the assistant director of the Niagara  
4 County Industrial Agency. I will be serving  
5 as hearing officer for this hearing. It is  
6 now 3:32.

7 The purpose of this hearing  
8 is to solicit comments, both written and  
9 oral, on the Niagara Sheets, LLC, Project in  
10 the Town of Wheatfield, New York.

11 Comments can be in support of  
12 or in opposition to the project or on the  
13 nature or location of the project. All  
14 comments are to be limited to the Niagara  
15 Sheets, LLC, Project.

16 This hearing is not for  
17 accepting comments on any environmental  
18 issues nor environmental determination, and  
19 this is not a part New York SEQRA process.

20 The Niagara Sheets, LLC, is  
21 the applicant. The project location is on  
22 Shawnee Road in the Town of Wheatfield.  
23 Niagara Sheets is a Delaware Corporation that

1 was formed for the purpose of owning and  
2 operating a corrugated sheet plant in the  
3 Town of Wheatfield with the primary partners  
4 being Jamestown Containers, Smurfit-Stone  
5 Container Enterprise and Norampac Industries.  
6 The new corporation is proposing to acquire  
7 the existing Smurfit-Stone facility, to  
8 renovate it to accommodate the acquisition of  
9 and installation of new machinery.

10 The proposed project includes  
11 the acquisition, renovation and expansion of  
12 the Shawnee Road Facility, acquisition and  
13 installation of \$10,000,000 of new production  
14 equipment and the creation of approximately  
15 sixty-five jobs. The total project cost are  
16 estimated to be \$15,200,000.

17 Since there are -- since we  
18 have handed out copies of the notice of  
19 public hearing, we will give those in  
20 attendance an opportunity to review that. I  
21 will not read it, but I will submit the  
22 notice of the hearing to become a part of the  
23 transcript.

1                   Okay. I will open the  
2 hearing for comments. Once you have been  
3 recognized, please give your name, address  
4 and organization you might represent. Please  
5 direct all your comments to the chair and  
6 your comments should be limited to this  
7 project, the Niagara Sheets, LLC, Project.

8                   There being no further  
9 comment, I will declare this hearing closed.  
10 I thank everyone fo attending this evening.  
11 It is officially 3:39 p.m.

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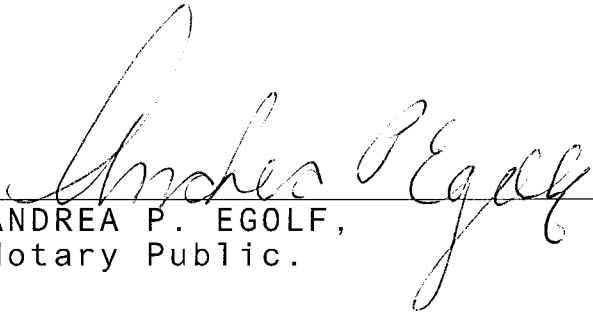
1 STATE OF NEW YORK)

2 SS:

3 COUNTY OF NIAGARA)  
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5 I, ANDREA P. EGOLF, a Notary Public in  
6 and for the State of New York, County of  
7 Niagara, DO HEREBY CERTIFY that the proceedings  
8 were taken down by me in a verbatim manner by  
9 means of Machine Shorthand. That the  
10 proceedings were taken to be used in the  
11 above-entitled action.

12 I further CERTIFY that the  
13 above-described transcript constitutes a true,  
14 accurate and complete transcript of the  
15 testimony.  
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20 ANDREA P. EGOLF,  
21 Notary Public.  
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**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTICE OF PUBLIC HEARING REGARDING ISSUANCE OF BONDS**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 16th day of November, 2007 at 3:30 p.m., local time, at the offices of the Agency, 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132, in connection with the following matter:

**NIAGARA SHEETS LLC**, for itself or on behalf of an entity formed or to be formed (the "Company"), has submitted an application (the "Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company consisting of: (A)(1) the acquisition or retention by the Agency of title to or other interest in an approximately 28.98-acre parcel of land located at 7393 Shawnee Road in the Town of Wheatfield, Niagara County, New York (the "Land") together with the improvements existing thereon consisting of 2 buildings comprising approximately 163,000 square feet of space (the "Existing Improvements"); (2) the renovation of the Existing Improvements and the construction on the Land of an approximately 27,000 square foot expansion to the Existing Improvements (collectively, the "Improvements"); and (3) the acquisition and installation in and around the Improvements by the Company of certain machinery, equipment and items of personal property including, but not limited to, a corrugator, banders and conveyors (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); all for use in the Company's business of manufacturing and supplying corrugated paper products and various sizes of corrugated sheets to three Niagara County plants to be made into boxes and containers; (B) paying certain costs and expenses incidental to the issuance of the Bonds (as hereinafter defined); (C) the funding of a debt service reserve fund and capitalized interest fund (the costs associated with items (A) through (C) above being hereinafter collectively referred to as the "Project Costs"); and (D) the lease (with an obligation to purchase) or sale of the facilities financed with the Bonds to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

If the issuance of such Bonds is approved by the Issuer, the Issuer will acquire and retain fee title to or such other interest in the Facility and lease or sell the Facility or such interest therein to the Company pursuant to a lease agreement or installment sale agreement (the "Agreement"), and the Company will operate and manage the Facility during the term of the Agreement. At or prior to the end of the term of the Agreement, the Company will acquire the Facility from the Issuer.

The Issuer is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of (i) the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$15,500,000, (ii) an exemption from all mortgage recording taxes with respect to any qualifying mortgage on the Land and the Improvements (or such interest therein as is conveyed to the Issuer) to secure the Bonds, (iii) an abatement or exemption from real property taxes levied against the Facility, pursuant to a Payment-In-Lieu-of-Tax Agreement to be entered into by and between the Company and the Issuer (subject to compliance with the Issuer's policies with respect to Payment-in-Lieu-of-Tax Agreements).

If the issuance of such Bonds is approved by the Issuer, (i) it is intended that interest on such Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) the Facility will be leased or sold by the Issuer to the Company pursuant to the Agreement which shall require that the Company make payments sufficient to fund the debt service payments on the Bonds and make certain other payments, and (iii) the Bonds will be special obligations of the Issuer payable solely of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR NIAGARA COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR NIAGARA COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer will at said time and place provide a reasonable opportunity to all interested persons to present their views, either orally or in writing, on the location and nature of the Facility, the proposed plan of financing for the Facility by the issuance from time to time of the Bonds, or the proposed tax benefits to be afforded the Company in connection with the Project.

This public hearing is being conducted in accordance with Section 147(f) of the Code and subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: October 12, 2007

**NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
Samuel M. Ferraro  
Executive Director

Niagara County IDA - Niagara Sheets LLC Project - Wheatfield, New York

November 16, 2007 - 3:30 P.M. - Offices of the Niagara County IDA, Wheatfield, New York

Name	Address	Organization
Peter Klein	12 Fountain Plaza Buffalo 14202	Stuebel Fleishman
John BOLEWIEZ	85 GRAND ST. LOCKPORT, NY	NIAGARA SHEETS