

**TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING ON PROPOSED ISSUANCE OF BONDS**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by the Tompkins County Industrial Development Agency (the "Issuer") on the 28th day of September, 2009, at 10:00 AM, local time, at the Lansing Town Hall, 29 Auburn Road, Lansing, New York 14882, in connection with the following matter:

Transonic Systems Inc., a New York not-for-profit corporation (the "Company") has submitted an application (the "Application") to the Issuer requesting that the Issuer issue its Industrial Development Revenue Bonds (Transonic Systems Inc. Project), Series 2009, in a principal amount not to exceed \$5,000,000 (the "Bonds") for the purpose of financing a certain project (the "Project") consisting of: (A)(i) the acquisition by the Issuer of title to or a leasehold or other interest in an approximately 10-acre parcel of land located at 34 Dutch Mill Road, in the Town of Lansing, Tompkins County, New York (the "Land") and the existing improvements located thereon, consisting principally of an approximately 24,000 square-foot building and related improvements (the "Existing Improvements") used by the Company for the manufacturing of flow measurement and other medical devices; and (ii) the construction of an approximately 30,000 square-foot addition to the Existing Improvements for the purpose of providing additional space for the Company's manufacturing and research operations and related office and administrative space (the "Improvements"); (B) the acquisition and installation in and around the Improvements and Existing Improvements of certain items of machinery, equipment, fixtures and other tangible personal property (the "Equipment" and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); (C) paying certain costs incidental to the issuance of the Bonds (the costs associated with (A) through (C) above hereinafter referred to as "Project Costs"); and (D) the sale or lease of the Facility financed with the Bonds from the Issuer to the Company.

If the issuance of the Bonds is approved by the Issuer, the Issuer will acquire and retain fee title to or other interest in the Facility and lease or sell the Facility or such interest therein to the Company pursuant to a lease 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: (A) the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$5,000,000 to finance (1) the acquisition and construction and equipping of the Improvements and the Equipment, (2) certain incidental costs incurred by the Issuer and the Company in connection therewith, and (3) the funding of a debt service reserve fund to secure the Bonds; (B) an exemption from all New York State and local sales and use taxes with respect to the qualifying personal property included within the Improvements and Equipment or used in connection with the acquisition, construction and equipping of the Improvements and Equipment; (C) a partial or full real property tax abatement structured under an agreement with the Issuer regarding payments-in-lieu-of real property taxes to be made to each municipality and school district having taxing jurisdiction over

the Facility; and (D) an exemption from all or a portion of the mortgage recording taxes with respect to any qualifying mortgage on the Land, Existing Improvements and Improvements (or such interest therein as is conveyed to the Issuer) to secure the Bonds.

If the issuance of the Bonds is approved by the Issuer, (i) it is intended that interest on the Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 103(a) of the Code, (ii) the Facility (or the Issuer's interest therein) 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 on the Bonds and make certain other payments, and (iii) the Bonds will be special obligations of the Issuer payable solely from 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 TOMPKINS COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR TOMPKINS 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 Financial Assistance 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: August 27, 2009

TOMPKINS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: Michael B. Stamm, Administrative Director