RESOLUTION NO. 14-20

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE SALE AND ISSUANCE OF CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK TAX-EXEMPT VARIABLE RATE DEMAND INDUSTRIAL DEVELOPMENT REVENUE BONDS (CANYON PLASTICS, INC. PROJECT), SERIES 2014A AND CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK TAXABLE VARIABLE RATE DEMAND INDUSTRIAL DEVELOPMENT REVENUE BONDS (CANYON PLASTICS, INC. PROJECT), SERIES 2014B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $9,465,000, FOR THE BENEFIT OF LIVINGSTON-SGN, LLC AND CANYON PLASTICS, INC., PROVIDING THE TERMS AND CONDITIONS OF THE SALE AND ISSUANCE OF SAID BONDS AND OTHER MATTERS RELATING THERETO

WHEREAS, the California Infrastructure and Economic Development Bank (the "IBank") is duly organized and existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) as now in effect and as it may be amended or supplemented (the "Act"); and

WHEREAS, the IBank is authorized under the provisions of the Act to issue tax-exempt and taxable revenue bonds to provide financing or refinancing for certain eligible projects located in the State of California (the "State"); and

WHEREAS, Livingston-SGN, LLC, a California limited liability company (the "Borrower",) and Canyon Plastics, Inc., a California corporation have submitted an application to the IBank for assistance to (1) finance and refinance the cost of acquisition, design, installation, improvement and equipping of real property and improvements, including the acquisition and installation of a solar photovoltaic system and manufacturing equipment (the "Facilities"), and (2) pay certain costs of issuance in connection with the consummation of the Transaction (defined below) and other related costs (the "Project"); and

WHEREAS, for these purposes, the Borrower has requested the IBank to (a) authorize the issuance of its Tax-Exempt Variable Rate Demand Industrial Development Revenue Bonds (Canyon Plastics, Inc. Project), Series 2014A in the principal amount not to exceed $1,885,000 (the "Tax-Exempt Bonds"), and its Taxable Variable Rate Demand Industrial Development Revenue Bonds (Canyon Plastics, Inc. Project), Series 2014B in the principal amount not to exceed $7,580,000 (the "Taxable Bonds"), together in an aggregate principal amount not to exceed $9,465,000 (Tax-Exempt Bonds and Taxable Bonds, collectively the "Bonds"); (b) provide for the sale of the Bonds, (c) provide for the loan of proceeds of the sale of the Bonds to the Borrower to finance and refinance the costs of the Facilities, (d) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived from the Borrower's repayment of that loan, and (e) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, IBank staff has reviewed and there is now on file with the Secretary (the "Secretary") of the Board of Directors of the IBank (the "Board") the following:

(a) a proposed form of a loan agreement (the "Loan Agreement") to be entered into by and between the IBank and the Borrower providing for the loan of the proceeds of the Bonds to the Borrower;

(b) a proposed form of an indenture of trust (the "Indenture") to be entered into between the IBank and U.S. Bank National Association, as trustee (the "Trustee"), providing for the authorization and issuance of the Bonds to be dated the date of delivery thereof;

(c) a proposed form of a purchase contract (the "Purchase Contract") to be entered into by and between the IBank, the Treasurer of the State, in its capacity as the IBank's agent for sale of the Bonds (the "Treasurer") and Gates Capital Corporation, as underwriter (the "Underwriter"), and approved by the Borrower, providing for the sale of the Bonds; and

(d) a proposed form of official statement (the "Official Statement") to be used by the Underwriter in connection with the sale of the Bonds (and, collectively with the Loan Agreement, the Indenture and the Purchase Contract, the "Transaction Documents").

NOW, THEREFORE, BE IT RESOLVED by the Board, as follows:

Section 1. The above recitals are true and correct.

Section 2. The IBank approves the issuance, sale and delivery on a tax-exempt and/or taxable basis of the Bonds in an aggregate principal amount not to exceed $9,465,000 and lending the proceeds of the Bonds to the Borrower to finance the costs of the Project pursuant to the terms and provisions of the Transaction Documents as approved by this resolution (this "Resolution").

Section 3. The Bonds shall mature on a date not later than 25 years from the date of issuance. The Bonds shall bear interest at any combination of fixed or variable rate or rates to be determined in accordance with the Indenture, which rates shall not exceed the maximum rate of interest on the Bonds permitted by the laws of the State.

Section 4. The Executive Director or the Executive Director's assignees, each acting alone, is hereby authorized and directed, for and in the name and on behalf of the IBank, to execute, by manual or facsimile signature, and deliver the Bonds in an aggregate principal amount not to exceed the amount authorized under this Resolution and the Indenture and in the form set forth in the Indenture.

Section 5. The Bonds, when executed as provided in this Resolution, shall be delivered to the Trustee for authentication by the Trustee pursuant to the Indenture. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to the Underwriter in accordance with written instructions executed on behalf of the IBank by the Executive Director or the Executive Director's assignees.

Section 6. The Treasurer, as agent for sale of the Bonds, is hereby authorized and requested to sell the Bonds, at any time within one hundred eighty (180) days of the adoption of this Resolution, at negotiated sale, at such price and at such initial interest rate as he may determine.

Section 7. The Executive Director or the Executive Director's assignees, each acting alone, is hereby authorized to execute and deliver the Transaction Documents and any and all other agreements, certificates and instruments, including without limitation, a tax regulatory agreement, a tax certificate and no arbitrage certificate, letters of representations and certificates of authority, which they or counsel to the IBank may deem necessary or desirable to consummate the issuance and delivery of the Bonds, and to consummate the Transaction, in substantially the forms thereof on file with the Secretary, with such changes, deletions and insertions as may be necessary or desirable to cause the same to carry out the intent of this Resolution and as are approved by counsel to the IBank, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. All actions heretofore taken by the officers and employees of the IBank with respect to the approval, issuance, sale and delivery of the Bonds, and the consummation of the Transaction are hereby approved, confirmed and ratified. The officers of the IBank and their authorized assignees, designees, deputies, agents, and counsel, each acting alone, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents that they or counsel to the IBank may deem necessary or desirable in order to consummate the issuance, sale and delivery of the Bonds, facilitate the transaction contemplated by the Transaction Documents and otherwise to effectuate the purposes of this Resolution.

Section 9. Unless extended by the IBank, the Board's approval of the Transaction is conditioned upon its closing within the later of (i) one hundred eighty (180) days from the date of the adoption of this Resolution, or (ii) 30 days from the date of the sale of the Bonds pursuant to Section 6 hereof.

Section 10. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on December 16, 2014 by the following vote:

AYES: **LUCHETTI, ORTEGA, PAPARIAN, JIMENEZ**

NOES:

ABSENT: **ROSSI**

ABSTAIN:

By _____
Teveia R. Barnes
Executive Director

Attest:

By _____
Ruben J. Rojas
Secretary of the Board of Directors