

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given by Chemung County Capital Resource Corporation (the "Issuer") that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and, as required by the Issuer's certificate of incorporation, Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 25th day of June, 2013 at 10:00 o'clock, am., local time, at 5th floor Legislative Chambers located at 203 Lake Street in the City of Elmira, Chemung County, New York, in connection with the following matters:

Arnot Ogden Medical Center, a New York not-for-profit corporation (the "Institution"), has 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 Institution, said Initial Project consisting of the following: (A) the financing of all or a portion of the costs of refinancing and/or refunding certain existing indebtedness incurred by or on behalf of the Institution (collectively, the "Prior Debt") to finance and/or refinance various capital projects located at 600 Roe Avenue and 602 Ivy Street in the City of Elmira, Chemung County, New York (collectively, the "Project Facility"), said Project Facility being operated by the Institution as an acute care hospital facility, a wound care clinic, an outpatient physical therapy facility, a regional dialysis center and other directly and indirectly related uses; (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 \$25,000,000 and in any event not to exceed \$30,000,000 (the "Obligations"); (C) paying 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 making of a loan (the "Loan") of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institution and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Initial Project, (B) to finance the Project by issuing, from time to time, the Obligations, (C) to use the proceeds of the Obligations to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Initial Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Issuer with respect to the Initial Project in the office of the County Clerk of Chemung County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Initial Project, if any.

If issuance of the Obligations is approved, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Code and the regulations of the United States Treasury Department thereunder (the "Treasury Regulations"), the issuance of the Obligations is approved by the County Executive of Chemung County, New York after the Issuer has held a public hearing on the nature and location of the Initial Project Facility and the issuance of the Obligations; and (B) pursuant to Section 145(a) of the Code, all property which is to be provided by the net proceeds of the Obligations is to be owned by a Section 501(c)(3) organization or a governmental unit and at least ninety-five percent (95%) of the net proceeds of the Obligations are used with respect to (1) governmental units and/or (2) the activities of Section 501(c)(3) organizations which do not constitute "unrelated trades or businesses" (as defined in Section 513(a) of the Code) with respect to such Section 501(c)(3) organizations.

If the Issuer determines to proceed with the Initial Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the Institution pursuant to a loan agreement (the "Agreement") requiring that the Institution or its designee make payments equal to debt service on the Obligations and make certain other payments to the Issuer and (B) the Obligations will be a special obligation of the Issuer payable solely out of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR CHEMUNG COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR CHEMUNG COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has determined that the Initial Project constitutes a "Type II action", as said quoted term is defined in the regulations issued pursuant to Article 8 of the Environmental Conservation Law (the "Regulations"), and accordingly that no environmental impact statement or any other determination or procedure is required under the Regulations regarding the potential environmental impact of the Initial Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Initial Project, the financial assistance being contemplated by the Issuer in connection with the proposed Initial Project or the proposed plan of financing the proposed Initial Project by the issuance from time to time of the Obligations. A copy of the Application filed by the Institution with the Issuer with respect to the Initial Project, including an analysis of the costs and benefits of the Initial Project, is available for public inspection during business hours at the offices of the Issuer. A transcript or summary report of the hearing will be made available to the members of the board of directors of the Issuer and to the County Executive of Chemung County, New York. Approval of the issuance of the Obligations by Chemung County, New York, acting through its elected County Executive, is necessary in order for the interest on the Obligations to qualify for exemption from federal income taxation.

Additional information can be obtained from, and written comments may be addressed to: George Miner, Chief Executive Officer, Chemung County Capital Resource Corporation, 400 East Church Street, Elmira, New York 14901; Telephone: (607) 733-6513.

Dated: June 7, 2013.

CHEMUNG COUNTY CAPITAL RESOURCE
CORPORATION

BY: _____
George Miner, Chief Executive Officer