

BY-LAWS
OF
DEVELOPMENT CHENANGO CORP.

Approved December 2014

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**BY-LAWS
OF
DEVELOPMENT CHENANGO CORP.**

**ARTICLE I
MEMBERS**

Section 1. Members Authorized: The Corporation shall have one class of members which shall consist of the members of the Board of Directors.

Section 2. Annual Meetings: An annual meeting of members entitled to vote shall be held for the election of directors and the transaction of other business on any day in the month of March as may be selected by the Board of Directors.

Section 3. Special Meetings: Special meetings of the members may be called at any time by the Chairman, the Board of Directors or members entitled to cast forty percent (40%) of the total number of votes entitled to be cast at such a meeting.

Section 4. Action by Members Without a Meeting: Whenever under the Not-For-Profit Corporation Law, the members are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all the members entitled to vote thereon.

Section 5. Place of Meetings: Meetings of members shall be held at the principal office of the Corporation or at such other place, within or without the State of New York, as may be fixed by the Board of Directors.

Section 6. Notice of Meetings:

(a) Written or email notice of each meeting shall be given to members. The notice shall state the place, date, and hour of the meeting and, unless it is an Annual Meeting, shall also indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which it is being called.

(b) A copy of the notice of any meeting shall be given—personally, by first class mail, or by email—not less than ten (10) nor more than fifty (50) days before the date of the meeting, to each member entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the member at the member's address as it appears on the record of members, or if the member shall have filed with the Secretary a written request that notices to the member be mailed to some other address, then directed to the member at such other address.

(c) Notice of meeting need not be given to any member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any member at a meeting in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by the member.

Section 7. Qualification of Voters:

(a) Every member of record of the Corporation, in good standing, shall be entitled at every meeting of the members to one (1) vote.

(b) The Board may fix a date as the record date for the purpose of determining the members entitled to vote at any meeting of members or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting. The record date shall not be more than fifty nor less than ten days before the date of the meeting.

Section 8. Quorum and Adjourned Meetings:

(a) Members entitled to cast one-half (1/2) of the total number of votes entitled to be cast at a meeting of members shall constitute a quorum for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any members.

(b) Despite the absence of a quorum, the members present may adjourn the meeting to another time and place and it shall not be necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting. If after the adjournment, however, the Board of Directors fixes a new record date for determining the members entitled to vote at the adjourned meeting, a notice of the adjourned meeting shall be given to each member then entitled to notice under Section 6 of this Article I of the by-laws.

Section 9. Organization: At every meeting of the members the Chairman, or in the absence of the Chairman, a Vice Chairman, or in the absence of such officers, a person selected by the meeting, shall act as chairman of the meeting. The Secretary or, in the absence of the Secretary, any Assistant Secretary, shall act as secretary of the meeting and in the absence of both the Secretary and any Assistant Secretary, a person selected by the meeting shall act as secretary of the meeting.

Section 10. Voting:

(a) Whenever any corporate action, other than the election of Directors, is to be taken by vote of the members, it shall, except as otherwise required by law or by the Certificate of Incorporation be authorized by a majority of the votes cast at such meeting.

(b) Directors shall be elected by a plurality of the votes cast at a meeting of members except as otherwise required by law.

Section 11. Proxies:

(a) Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person or persons to act for such member by proxy.

(b) Every proxy must be signed by the member or the member's attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law.

(c) The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of incompetence or of death is received by the Secretary or an Assistant Secretary.

**ARTICLE II
BOARD OF DIRECTORS**

Section 1. Power of Board and Qualification of Directors: The Corporation shall be managed by its Board of Directors, who shall manage the property and the affairs of the Corporation. Each director shall be at least eighteen years of age.

Section 2. Number and Term of Office:

(a) The Board of Directors shall consist of 17 to 21 members. There shall be three co-equal classes of Directors: Class A, Class B, and Class C. Each Director is entitled to cast one vote, regardless of class.

(b) The Class A Directors shall be the Chairman of the Chenango County Board of Supervisors, the Chairman of the Chenango County Industrial Development Agency, and the Chairman of Commerce Chenango. The Class A Directors shall serve on the Board so long as they serve in the aforementioned positions, without the need to be appointed or removed by the Board.

(c) The Class B Directors shall be appointed for staggered three-year terms. There shall be thirteen Class B Directors. A Class B Director may only serve one full term as a Class B Director.

(d) The Class C Directors shall be appointed for one-year terms. There shall be one to five Class C Directors. A Class C Director may be reappointed indefinitely.

(e) Class B and C Directors shall be nominated and appointed by direct action of the Board or authorized committee or by other means approved or ratified by the Board. The Board is empowered—but not required—to adopt a policy setting forth procedures and/or goals for the nomination and and/or appointment of Class B and/or Class C Directors.

(f) Nothing in this section shall limit the Board's power—enumerated elsewhere in the bylaws, the Certificate of Incorporation, or applicable law—to remove a Director or to fill a vacancy.

Section 3. Organization: At each meeting of the Board of Directors, the Chairman, or, in the absence of the Chairman, a Vice Chairman, shall preside, or in the absence of either of such officers, a chairman chosen by a majority of the directors present shall preside. The Secretary shall act as secretary of the Board of Directors. In the event the Secretary shall be absent from any meeting of the Board of Directors, the meeting shall select its secretary.

Section 4. Resignations and Removal of Directors:

(a) Any director of the Corporation may resign at any time by giving written notice to the Chairman, or to the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery.

(b) Any or all of the directors may be removed with or without cause by affirmative vote of the directors provided there is a quorum of a majority of the Board of Directors present at the meeting at which such action is taken, and notice of which shall have referred to the proposed action. Any or all of the directors may be removed without cause by vote of the members. Unexcused absence from two regular meetings in any 12-month period shall, without limitation, be cause for removal, provided notice is given of same in advance of meeting.

Section 5. Vacancies: Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the Board of Directors for any reason shall be filled by vote of majority of directors then in office, regardless of their number. Directors elected to fill newly created directorships shall hold office until their successors have been elected and qualified. Directors elected to fill vacancies shall serve until the next annual meeting at which the election of directors is in the regular order of business, and until their successors are elected and have qualified.

Section 6. Action of Board of Directors:

(a) Except as otherwise provided by law or in these by-laws, the act of the Board of Directors means action at a meeting of the Board by vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time.

(b) Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

(c) Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 7. Place of Meeting: The Board of Directors may hold its meetings at the principal office of the Corporation, or at such place or places within or without the State of New York as the Board of Directors may from time to time by resolution determine.

Section 8. Annual Meetings: As soon as practical after each annual election of directors, the Board of Directors shall meet for the purpose of organization and the transaction of other business. Notice of such meeting need not be given. Such first meeting may be held at any other time; and if it is held at another time, notice shall be given as hereinafter provided for special meetings of the Board of Directors.

Section 9. Regular Meetings: Regular meetings of the Board of Directors may be held without notice at such times as may be fixed from time to time by resolution of the Board of Directors.

Section 10. Special Meetings: Special meetings of the Board of Directors shall be held whenever called by the Chairman or by any two (2) of the directors. Notice shall be given in person or by email, and shall state the purposes, time and place of the meeting. If notice is given orally, in person or by telephone, it shall be given not less than two (2) days before the meeting; if it is given by mail or email, it shall be given not less than five (5) days before the meeting.

Section 11. Waivers of Notice: Notice of a meeting need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

Section 12. Quorum:

(a) A majority of the entire Board of Directors shall constitute a quorum for the transaction of business.

(b) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place without notice to any director.

Section 13. Reimbursement of Expenses: Directors may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

Section 14. Annual Report: The Board of Directors shall present at the Annual Meeting of members a report verified by the Chairman and Treasurer or by a majority of the directors, showing in appropriate detail the following:

(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the twelve-month fiscal period terminating not more than six months prior to said meeting.

(b) The principal changes in assets and liabilities, including trust funds, during said fiscal period.

(c) The revenue or receipts of the Corporation, both unrestricted and restricted, to particular purposes during said fiscal period.

(d) The expenses or disbursements of the Corporation for both general and restricted purposes, during said fiscal period.

(e) The number of members of the Corporation as of the date of the report, together with a statement of increase or decrease in such number during said fiscal period and a statement of the place where the names and places of residence of the current members may be found.

(f) Any and all such items or information required by applicable law, including documents, statements, or reviews of annual activities of the organization as required by the laws of the State of New York and subject to enforcement action by the New York State Authorities Budget Office.

This report shall be filed with the records of this Corporation and a copy thereof entered in the minutes of the proceedings of the Annual Meeting of members.

ARTICLE III COMMITTEES

Section 1. Executive Committee and Other Standing Committees: The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members an Executive Committee and other standing committees consisting of three or more directors. The standing committees shall have such authority as the Board shall by resolution provide; and the Executive Committee shall have all the authority of the Board, except that no such committee shall have authority as to the following matters:

- (a) The submission to members of any action requiring members' approval under the law.
- (b) The filling of vacancies in the Board or in any committee.
- (c) The fixing of compensation of the directors for serving on the Board or on any committee.
- (d) The amendment or repeal of the by-laws, or the adoption of new by-laws.
- (e) The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.

Any reference in these by-laws to the Board of Directors shall include the Executive Committee unless the context or express provision otherwise provide.

Section 1A. Governance Committee: Per New York State Public Authorities Accountability Act guidance, DCC shall have a Governance Committee which meets no less than two times per year. The Governance Committee is a duplication of the standing Executive

Committee unless otherwise appointed. The Governance Committee Charter was passed on November 19, 2010 and is attached to this document as Appendix B.

Section 2. Finance Committee. The Board of Directors shall appoint as a Committee of the Board, a Finance Committee consisting of no fewer than three Independent Directors* and chaired by the Treasurer of the Board of Directors. The Board may also appoint to the Committee persons other than Directors to serve in a non-voting advisory capacity on financial matters, investment decisions, revolving loan fund management, and loan applications. The Finance Committee shall also serve as the Loan/Grant Review Committee.

Section 2A. Audit Committee: In compliance with applicable New York State legislation, including the Public Authorities Accountability Act (PAAA); the Public Authorities Reform Act (PARA); and the Non-Profit Revitalization Act, the Board of Directors shall appoint as a Committee of the Board, an Audit Committee which meets no less than two times per year. The Audit Committee shall consist of those Directors who serve on the Finance Committee as specified above. The Audit Committee Charter was revised on December 19, 2014 and is attached to this document as Appendix B.

**INDEPENDENT DIRECTOR" MEANS A DIRECTOR WHO: (I) IS NOT, AND HAS NOT BEEN WITHIN THE LAST THREE YEARS, AN EMPLOYEE OF THE CORPORATION OR AN AFFILIATE OF THE CORPORATION, AND DOES NOT HAVE A RELATIVE WHO IS, OR HAS BEEN WITHIN THE LAST THREE YEARS, A KEY EMPLOYEE OF THE CORPORATION OR AN AFFILIATE OF SAME; (II) HAS NOT RECEIVED, AND DOES NOT HAVE A RELATIVE WHO HAS RECEIVED, IN ANY OF THE LAST THREE FISCAL YEARS, MORE THAN FIFTEEN THOUSAND DOLLARS IN DIRECT COMPENSATION FROM THE CORPORATION OR AN AFFILIATE OF THE CORPORATION AND IS NOT A CURRENT EMPLOYEE OF OR DOES NOT HAVE A SUBSTANTIAL FINANCIAL INTEREST IN, AND (III) DOES NOT HAVE A RELATIVE WHO IS A CURRENT OFFICER OF OR HAS A SUBSTANTIAL FINANCIAL INTEREST IN, ANY ENTITY THAT HAS MADE PAYMENTS TO, OR RECEIVED PAYMENTS FROM, THE CORPORATION OR AN AFFILIATE OF THE CORPORATION FOR PROPERTY OR SERVICES IN AN AMOUNT WHICH, IN ANY OF THE LAST THREE FISCAL YEARS, EXCEEDS THE LESSER OF TWENTY-FIVE THOUSAND DOLLARS OR TWO PERCENT OF SUCH ENTITY'S CONSOLIDATED GROSS REVENUES; (IV) IS NOT, AND IN THE PAST TWO YEARS HAS NOT BEEN, A LOBBYIST REGISTERED UNDER A STATE OR LOCAL LAW AND PAID BY A CLIENT TO INFLUENCE THE MANAGEMENT DECISIONS, CONTRACT AWARDS, RATE DETERMINATIONS OR ANY OTHER SIMILAR ACTIONS OF THE CORPORATION OR AN AFFILIATE.

Section 3. Zone Administrative Committee: This committee shall be comprised of the Executive Committee in addition to the municipal representatives—if any—for the City of Norwich, Town of Norwich, and Town of North Norwich. The Zone Administrative Committee shall be required to meet, at minimum, once per annum, to discuss the business related to the administration of the former Greater Norwich Empire Zone. This business shall include, but is not limited to:

- A. A summary annual report presented by contract staff detailing the current number of certified Empire Zone businesses located in Chenango County
- B. A summary of the annual report information provided by those businesses, including job creation, job losses, investments made, and tax credits awarded during the reporting year
- C. A listing of businesses decertified during the prior reporting year

The Zone Administrative Committee shall recommend approval of the Annual Report to the Board of Directors, which shall continue to act as the Zone Administrative Board as required by the New York State Department of Economic Development. The Zone Administrative Committee shall have the authority to recommend to the Board of Directors and the State of New York the decertification of any business perceived to not be meeting the objectives as proposed in its Empire Zone application.

Section 4. Nominating Committee: There shall be a Nominating Committee consisting of such Directors and other persons chosen by the Chairman of the Board of Directors. Prior to the Annual Meeting, the Nominating Committee shall nominate persons to fill expected and actual vacancies on the Board. The Nominating Committee shall comply with Board policies, the bylaws, the Certificate of Incorporation, and applicable law.

Section 5. Special Committees: The Board of Directors may designate special committees, each of which shall consist of such persons and shall have such authority as is provided in the resolution designating the committee, except that such authority shall not exceed the authority conferred on the Executive Committee by Section 2 of this Article II.

Section 6. Meetings: Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chairman of the corporation or the chairman of the committee or by vote of a majority of all of the members of the committee.

Section 7. Quorum and Manner of Acting: Unless otherwise provided by resolution of the Board of Directors, a majority of all of the members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of all of the members of the committee shall be the act of the committee. The procedures and manner of acting of the Executive Committee and of the committees of the Board shall be subject at all times to the directions of the Board of Directors.

Section 8. Tenure of Members of Committees of the Board: Each Committee of the Board and every member thereof shall serve at the pleasure of the Board.

ARTICLE IV OFFICERS

Section 1. Number: The officers of the Corporation shall be a Chairman, Vice Chairman, a Treasurer, a Secretary and such other officers as the Board of Directors may in its discretion determine. Any two or more offices may be held by the same person, except the offices of Chairman and Secretary.

Section 2. Term of Office and Qualifications: Those officers whose titles are specifically mentioned in Section 1 of this Article IV shall be elected by the Board of Directors at its Annual Meeting. Unless a shorter term is provided in the resolution of the Board electing such officer, the term of office of each officer shall extend to the first meeting of Directors following the next Annual Meeting and until the officer's successor is elected or appointed and qualified. The Chairman shall be elected from among the directors.

Section 3. Additional Officers: Additional officers may be elected for such period, have such authority and perform such duties, either in an administrative or subordinate capacity, as the Board of Directors may from time to time determine.

Section 4. Removal of Officers: Any officer may be removed by the Board of Directors with or without cause at any time.

Section 5. Resignation: Any officer may resign at any time by giving written notice to the Board of Directors, or to the Chairman or to the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time be specified, then upon delivery.

Section 6. Vacancies: A vacancy in any office shall be filled by the Board of Directors.

Section 7. Chairman: The Chairman shall preside at all meetings of the members and of the Board of Directors at which the Chairman is present. The Chairman shall act as the chief executive officer of the Corporation and shall supervise generally the management of the affairs of the Corporation subject only to the supervision of the Board. The Chairman shall also perform such other duties as may be assigned from time to time by the Board.

Section 8. Vice Chairman: In the absence or incapacity to act of the Chairman, or if the office of Chairman be vacant, the Vice shall preside at all meetings of the members, and shall perform the duties and exercise the powers of the Chairman, subject to the right of the Board from time to time to extend or confine such powers and duties or to assign them to others. Each Vice Chairman shall have such powers and shall perform such other duties as may be assigned by the Board of Directors or the Chairman.

Section 9. Treasurer: The Treasurer shall, if required by the Board of Directors, obtain a bond for the faithful discharge of his duties, in such sum and with such sureties as the Board of Directors shall require. The Treasurer shall cause to be kept and maintained the books of account; and shall, in conjunction with the Board of Directors, have oversight of all funds and securities of the Corporation; and cause to be deposited all such funds in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors. The Treasurer shall also cause to be performed all other duties customarily incident to the office of Treasurer, and such other duties as from time to time may be assigned by the Board of Directors.

Section 10. Secretary: The Secretary shall cause to be kept the records of the Agency, shall act as secretary of the meetings of the Agency and shall cause to be recorded all votes, and shall cause to be kept a record of the proceedings of the agency and its committees in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to his/her office. The Secretary shall cause to be kept in safe custody, the seal of the Agency, and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Agency.

Section 11. Appointed Officers: The Board of Directors may delegate to any officer or committee the power to appoint and to remove any subordinate officer, agent or employee.

Section 12. Assignment and Transfer of Stocks, Bonds and Securities: The Chairman, the Vice Chairman, the Treasurer, the Secretary, and each of them, shall have power to assign, or to endorse for transfer, under the corporate seal, and to deliver, any stock, bonds, subscription rights, or other securities, or any beneficial interest therein, held or owned by the Corporation as directed by the Board of Directors.

ARTICLE V

CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

Section 1. Execution of Contracts: The Board of Directors, except as in these by-laws otherwise provided, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Corporation to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; but, unless so authorized by the Board of Directors, or expressly authorized by these by-laws, no officers, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily in any amount of any amount for any purpose.

Section 2. Loans: No loans shall be contracted on behalf of the Corporation unless specifically authorized by the Board of Directors.

Section 3. Checks, Drafts, etc.: All checks, drafts and other orders for the payment of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits: All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI INDEMNIFICATION AND INSURANCE

Section 1. Authorized Indemnification: Unless clearly prohibited by law or Section 2 of this Article VI, the Corporation shall indemnify any person (“Indemnified Person”) made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Corporation, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) as or was a Director or officer of the Corporation, or (b) in addition is serving or served, in any capacity, at the request of the Corporation, any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Corporation shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

Section 2. Prohibited Indemnification: The Corporation shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board of Directors in good faith determines, that such person’s acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

Section 3. Advancement of Expenses: The Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or

promptly reimburse the Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article VI. An Indemnified Person shall cooperate in good faith with any request by the Corporation that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

Section 4. Indemnification of Others: Unless clearly prohibited by law or Section 2 of this Article VI, the Board of Directors may approve Corporation indemnification as set forth in Section 1 of this Article VI or advancement of expenses as set forth in Section 3 of this Article VI, to a person (or the testator or intestate of a person) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Corporation in any capacity for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 5. Determination of Indemnification: Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court the Board of Directors shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these by-laws. Before indemnification can occur the Board of Directors must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article VI. No Director with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Directors is not obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these by-laws.

Section 6. Binding Effect: Any person entitled to indemnification under these by-laws has a legally enforceable right to indemnification which cannot be abridged by amendment of these by-laws with respect to any event, action or omission occurring prior to the date of such amendment.

Section 7. Insurance: The Corporation is not required to purchase directors' and officers' liability insurance, but the corporation may purchase such insurance if authorized and approved by the Board of Directors. To the extent permitted by law, such insurance may insure the Corporation for any obligation it incurs as a result of this Article VI or operation of law and it may insure directly the Directors, officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article VI as well as for liabilities against which they are entitled or permitted to be indemnified by the Corporation.

Section 8. Nonexclusive Rights: The provisions of this Article VI shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board

of Directors is authorized to enter into agreements on behalf of the Corporation with any Director, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article VI, subject in all cases to the limitations of Section 2 of this Article VI.

ARTICLE VII GENERAL

Section 1. Office: The office of the Corporation shall be at such place in the County of Chenango, State of New York, as the Board of Directors may determine.

Section 2. Books and Records: There shall be kept at the office of the Corporation (1) correct and complete books and records of account, (2) minutes of the proceedings of the members, the Board of Directors and the Executive Committee, (3) a current list of the directors and officers of the Corporation and their residence addresses, (4) a list of record containing the names and addresses of all members, (5) a copy of these by-laws, (6) a copy of the Corporation's application to the IRS on Form 1023, and (7) copies of the Corporation's past three (3) years information returns on Form 990.

Section 3. Seal: The corporate seal shall be in the form of a circle and shall have inscribed thereon the following: Development Chenango Corp. 1966 New York Not-for-Profit Corporation.

Section 4. Interested Directors and Officers: No contract or other transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, firm, association or other entity in which one or more of its directors or officers are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such director or directors or officer or officers are present at the meeting of the Board of Directors, or of a committee thereof, which authorizes such contract or transaction, or that his or their votes are counted for such purpose:

(a) If the material facts as to such director's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested director or officers; or

(b) If the material facts as to such director's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the members entitled to vote thereon, if any, and such contract or transaction is authorized by vote of such members.

(c) Common or interested directors may be counted in determining the presence of a quorum at meeting of the Board of Directors or committee which authorizes such contract or transaction.

(d) In connection herewith, the directors and officers of the Corporation shall submit statements on at least an annual basis detailing their affiliations that may lead to potential conflicts of interest.

Section 5. Loans to Directors and Officers: No loans other than through the purchase of bonds, debentures, or similar obligations of the type customarily sold in public offerings, or through ordinary deposit of funds in a bank, shall be made by the Corporation to its directors or officers, or to any other corporation, firm association or other entity in which one or more of its directors or officers are directors or officers or hold a substantial financial interest.

Section 6. Fiscal Year: The fiscal year of the Corporation shall commence January 1 in each calendar year and end on December 31.

ARTICLE VIII AMENDMENTS

Section 1. Amendments: The by-laws of the Corporation may be amended or repealed by action of two-thirds (2/3) of the members at the time entitled to vote in the election of directors or by vote of two-thirds (2/3) of the Board of Directors. Any by-law adopted by the Board may be amended or repealed by the members and, unless otherwise provided in the by-laws adopted by the members, any by-law adopted by the members may be amended or repealed by the Board. If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of the members for the election of directors the by-laws so adopted, amended or repealed, together with a concise statement of the changes made.