BY-LAWS

OF

TOWN OF WATERFORD CAPITAL RESOURCE CORPORATION

ARTICLE I

THE CORPORATION

Section 1. Name. The name of the Corporation is "Town of Waterford Capital Resource Corporation."

Section 2. Seal of Corporation. The seal of the Corporation will be in the form of a circle and will bear the name of the Corporation and the year of its organization.

Section 3. Office of Corporation. The office of the Corporation will be in Saratoga County, New York.

Section 4. Execution of Instruments. Except as otherwise provided in these by-laws, instruments and documents of the Corporation may be signed or countersigned, executed, verified or acknowledged by such officer or officers or other person or persons as the Corporation may designate by resolution.

ARTICLE II

MEMBERS, DIRECTORS, OFFICERS AND COMMITTEES

Section 1. Sole Member. The Town of Waterford, New York (the "Town") is the sole member of the Corporation.

Section 2. Board of Directors. (A) The Corporation will consist of not less than three nor more than seven Directors. The Directors will be appointed by and serve at the pleasure of the governing body of the Town.

(B) Except for Directors who serve as Directors by virtue of holding a civil office of the State, the majority of the remaining Directors appointed after January 13, 2006 will be "Independent Directors."

C) For purposes of these by-laws, the term "Independent Director" means a Director one who: (1) is not, and in the past two years has not been, employed by the Corporation (or an "Affiliate" of the Corporation) in an executive capacity; (2) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than $15,000 for goods and services provided to the Corporation or received any other form of financial assistance valued at more than $15,000 from the Corporation; (3) is not a relative of an executive officer or employee in an executive position of the Corporation (or an "Affiliate" of the Corporation); and (4) 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" of the Corporation).

(D) For purposes of these by-laws, the term "Affiliate" means a corporate body having substantially the same ownership or control as the Corporation.

(E) For purposes of these by-laws, the term "Relative" means an individual's spouse, child, stepchild, stepparent, or any person who is a direct descendant of the grandparents of the individual or of the individual's spouse.

Section 3. Term of Service. Directors are not subject to term limits. Each Director is appointed by and serves at the pleasure of the Town of Waterford Town Board. Accordingly, a Director may be removed without cause at any time for any reason.

Section 4. Filling of Vacancies. Should any Director position become vacant, the Corporation will take steps to recommend to the Town of Waterford Town Board one or more nominees to fill the vacancy. The decision to appoint a particular individual as a Director rests solely with the Town of Waterford Town Board.

Section 5. Responsibilities of Directors; Training Requirement. (A) The Directors of the Corporation constitute the governing body of the Corporation (the "Board"), and will have and will responsibly exercise all of the powers prescribed by Section 1411 of the New York State Not-for-Profit Corporation Law and other applicable law, including but not limited to Chapter 766 of the 2005 Laws of the State of New York (the "PAAA").

(B) The Board will appoint a Chief Executive Officer and a Chief Financial Officer of the Corporation, neither of whom will be a Director of the Corporation.

(C) Every annual financial report of the Corporation must be approved by the Board and provided to the Town.

(D) The Directors of the Corporation will: (1) execute direct oversight of the Chief Executive Officer of the Corporation and other senior management of the Corporation in the effective and ethical management of the Corporation; and (2) understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the Corporation.

(E) The Board will not, directly or indirectly, including through a subsidiary, extend or maintain credit or arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any officer, Director or employee (or equivalent thereof) of the Corporation.

(F) Directors of the Corporation will file annual financial disclosure statements with the Town of Waterford Town Board.

(G) Individuals newly appointed to the Board of the Corporation must participate in state approved training regarding their legal, fiduciary, financial and ethical responsibilities within one year of appointment to such Board. Directors who have already completed state approved training will participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance.

Section 6. Officers of the Board. (A) The officers of the Board will be elected by a majority of the Directors and will consist of a Chairman, a Vice Chairman, a Secretary, and a Treasurer.

(B) The officers of the Board will perform the duties and functions specified in these by-laws and such other duties and functions as may from time to time be authorized by resolution of the Board of the Corporation or required to effect the statutory purposes of the Corporation.

(D) Should any office of the Board become vacant, the Corporation will appoint a successor from among its Directors at the next regular meeting, and such appointment will be for the unexpired term of said office.

Section 7. Chairman. The Chairman will be a Director of the Corporation and preside at all meetings of the Corporation. The Chairman will sign all agreements, contracts, deeds and any other instruments on behalf of the Corporation, except as otherwise authorized or directed by resolution of the Corporation. The Chairman will submit his recommendations and such information as he has deemed pertinent concerning the business, affairs and policies of the Corporation, at each meeting.

Section 8. Vice Chairman. The Vice Chairman will be a Director of the Corporation and perform the duties of the Chairman in the absence or incapacity of the Chairman. In the event of the resignation or death of the Chairman, the Vice Chairman will become acting Chairman and perform the duties of the Chairman until such time as the Corporation appoints a new Chairman.

Section 9. Secretary. The Secretary will be a Director of the Corporation. He will keep all records of the Corporation, will act as secretary at the meetings of the Corporation, will keep a record of all votes thereat. He will record the proceedings of the Corporation in a journal of proceedings to be kept for such purpose. He will perform all duties incident to this office. He will have custody of the seal of the Corporation, and will have the power to affix such seal to all contracts and other instruments authorized by the Corporation to be executed.

Section 10. Treasurer. The Treasurer will be a Director of the Corporation. Except as otherwise authorized by resolution of the Board, the Treasurer of the Corporation is authorized, along with any other Director, to sign all checks for the payment of money of the Corporation; and will pay out and disburse such moneys under the direction of the Board. Except as otherwise authorized by resolution of the Board, all such checks will be countersigned by any other Director of the Corporation or the Chief Executive Officer of the Corporation. The Treasurer, in coordination with the Corporation's chief financial officer, will render to the Corporation at each regular meeting an account of the financial transactions and the current financial condition of the Corporation.

Section 11. Governance Committee. (A) The Chairman will appoint a Governance Committee, to be comprised of Independent Directors.

(B) The Governance Committee will: (1) keep the Board informed of current best governance practices; (2) review corporate governance trends; (3) update the Corporation's corporate governance principles; and (4) advise the Board on the skills and experiences required of potential Directors of the Board.

Section 12. Audit Committee. (A) The Chairman will appoint an Audit Committee, to be comprised of Independent Directors.

(B) To the extent practicable, Directors of the Audit Committee should be familiar with corporate financial and accounting practices.

(C) The Audit Committee will ensure that the Corporation arranges for the timely preparation and appropriate filing of the annual budget, the annual financial statements, the annual financial reports and the annual financial audit required under the laws of New York State.

(D) The Audit Committee will recommend to the Board the hiring of a certified independent public accounting firm for the Corporation, establish the compensation to be paid to the accounting firm, and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purpose. The Audit Committee will not recommend the hiring of a certified independent public accounting firm to provide audit services to the Corporation if the Chief Executive Officer, comptroller, Chief Financial Officer, chief accounting officer, or any other person serving in an equivalent position for the Corporation was employed by that certified independent public accounting firm and participated in any capacity in the audit of the Corporation during the one year period preceding the date of the initiation of the audit.

(E) If the lead (or coordinating) audit partner (having primary responsibility for the audit) of the certified independent public accounting firm proposing to provide an annual independent audit for the Corporation, or the audit partner responsible for reviewing the audit, has performed audit services for the Corporation in each of the five previous fiscal years of the Corporation, the Audit Committee will prohibit such certified independent public accounting firm from providing an annual independent audit for the Corporation.

(F) The Audit Committee will require that each certified independent public accounting firm that performs for the Corporation an audit required by law will timely report to the Audit Committee: (1) all critical accounting policies and practices to be used; (2) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the certified independent public accounting firm; and (3) other material written communications between the certified independent public accounting firm and the management of the Corporation, such as the management letter along with management's response or plan of corrective action, material corrections identified or schedule of unadjusted differences, where applicable.

(G) The Audit Committee will prohibit the certified independent public accounting firm providing an annual independent audit for the Corporation from performing any non-audit services to the Corporation contemporaneously with the audit, unless receiving previous written approval by the Audit Committee, including: (1) bookkeeping or other services related to the accounting records or financial statements of the Corporation; (2) financial information systems design and implementation; (3) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (4) actuarial services; (5) internal audit outsourcing services; (6) management functions, (7) broker or dealer, investment advisor, or investment banking services; and (8) legal services and expert services unrelated to the audit.

Section 13. Finance Committee. (A) The Chairman shall appoint a Finance Committee, to be comprised of not less than three Independent Members, who shall constitute a majority on the committee, and who shall possess the necessary skills to understand the duties and functions of the Finance Committee; provided, however, that in the event that a board has less than three Independent Members, the board may appoint non-Independent Members to the Finance Committee, provided that the Independent Members must constitute a majority of the members of the Finance Committee.

(B) The Finance Committee shall be responsible for the following:

(i) Reviewing proposals for the issuance of debt by the Corporation and its subsidiaries and to make recommendations concerning those proposals to the members;

(ii) Making recommendations to the members concerning the level of debt and nature of debt issued by the Corporation;

(iii) Making recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Corporation, and to oversee the work performed by these individuals and firms on behalf of the Corporation;

(iv) Meeting with and requesting information from Corporation staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.

(v) Annually reviewing the Corporation's financing guidelines and making recommendations to the members concerning criteria that should govern its financings;

(vi) Reporting annually to the Corporation's board how it has discharged its duties and met its responsibilities as outlined in the charter adopted by the committee; and

(vii) Conducting an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the member's approval for proposed changes.

Section 14. Additional Duties. The officers of the Corporation will perform such other duties and functions as may from time to time be required by the Corporation, by its by-laws, or by its rules and regulations.

Section 15. Appointment of Officers. All officers of the Corporation except the first Chairman will be appointed at the annual meeting of the Corporation. Officers will hold office for one year or until their successor is appointed. If the term of an Corporation Director should terminate, his term of office as an officer will also terminate.

ARTICLE III

MEETINGS

Section 1. Annual Meeting. The annual meeting of the Corporation will be held on the first Tuesday of February at the time and place determined by the Corporation.

Section 2. Regular Meetings. Regular meetings of the Corporation may be held at such times and places as from time to time may be determined by the Corporation.

Section 3. Special Meetings. The Chairman of the Corporation may, when he deems it desirable, and will upon the written request of two Directors of the Corporation, call a special meeting of the Corporation for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each Director of the Corporation or may be mailed to the business or home address of each Director of the Corporation at least two days prior to the date of such special meeting. Waivers of notice may be signed by any Director failing to receive a proper notice. At such special meeting, no business will be considered other than as designated in the call, but if all Directors of the

Corporation are present at a special meeting, with or without notice thereof, and are all agreeable thereto, any and all business may be transacted at such special meeting.

Section 4. Executive Sessions. When determined by the Corporation that any matter pending before it is confidential in nature, it may, upon its own motion, establish an executive session in accordance with the New York State Open Meetings Law and exclude non-Directors from such sessions.

Section 5. Quorum. At all meetings of the Corporation, a majority of the Corporation will constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time or until a quorum is obtained.

Section 6. Order of Business. At the regular meetings of the Corporation, the following will be the order of business:

1. Roll Call.
2. Reading and approval of the minutes of the previous meeting.
3. Report of the Treasurer.
4. Bills and communications.
5. Reports of Committees.
6. Resolutions and motions.
7. Unfinished business.
8. New business.
9. Adjournment.

Section 7. Manner of Voting. The voting on all questions coming before the Corporation concerning financial commitments, expenditures, personnel matters, appointments, litigation, legal indebtedness, contracts, and agreements will be by roll call, all other questions may be by voice vote, and yeas and nays will be entered on the minutes of such meeting, except in the case of appointments when the vote may also be by ballot. The Corporation's Attorney will decide which questions coming before the Corporation require a roll call vote. Any action of the Corporation will be binding upon determination by a majority vote of the Directors of the Corporation.

ARTICLE IV

EXECUTIVE OFFICERS AND EMPLOYEES

Section 1. Chief Executive Officer. (A) The Chief Executive Officer will be appointed by the Board, and will be the chief executive officer of the Corporation.

(B) The Chief Executive Officer will have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Board. Whenever possible, the Chief Executive Officer will attend each meeting of the Board, and will submit such recommendations and information to the Board as the Chief Executive Officer may consider proper concerning the business, affairs and policies of the Corporation.

(C) The Chief Executive Officer will be charged with the management of all projects of the Corporation.

(D) The Chief Executive Officer will also serve as the Contracting Officer (as such term is defined in the PAAA) of the Corporation, and, as such, be responsible for (1) the

disposition of property of the Corporation, and (2) the Corporation's compliance with the Corporation's property use and disposition guidelines.

(E) Every annual financial report of the Corporation must be certified in writing by the Chief Executive Officer that based on the Chief Executive Officer's knowledge (1) the information provided therein is accurate, correct and does not contain any untrue statement of material fact; (2) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (3) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Section 2. Chief Financial Officer. (A) The Chief Financial Officer will have the care and custody of all funds of the Corporation and will deposit the same in the name of the Corporation in such bank or banks as the Board may select or, if the Board has not so selected a bank or banks, which the Chief Financial Officer selects.

(B) The Chief Financial Officer will keep regular books of accounts showing receipts and expenditures, and will render to the Audit Committee at each regular meeting thereof an account of such transactions and also of the financial condition of the Corporation.

(C) The Chief Financial Officer will give such bond for the faithful performance of his duties as the Corporation may determine.

(D) Every annual financial report of the Corporation must be certified in writing by the Chief Financial Officer that based on the Chief Financial Officer's knowledge (1) the information provided therein is accurate, correct and does not contain any untrue statement of material fact; (2) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (3) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Section 3. Additional Personnel. The Corporation may from time to time employ such personnel as it deems necessary to exercise its power, duties and functions as prescribed by the New York State Not-for-Profit Corporation Law and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel including the Chief Executive Officer will be determined by the Corporation subject to the laws of the State of New York. The Corporation may from time to time employ such personnel as it deems necessary to exercise its statutory powers, duties and functions. The selection and compensation of all personnel will be determined by the Corporation.

Section 4. Financial Disclosure. Officers and employees of the Corporation will file annual financial disclosure statements with the Town of Waterford Board of Ethics.

ARTICLE V

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right of Indemnification. Each Director and officer of the Corporation, whether or not then in office, and any person whose testator or intestate was such a Director or officer, will be indemnified by the Corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or

investigative, in accordance with and to the fullest extent permitted by the Section 18 of the Public Officers Law of the State of New York or other applicable law, as such law now exists or may hereafter be adopted or amended; provided, however, that the Corporation will provide indemnification in connection with an action or proceeding (or part thereof) initiated by such a Director or officer only if such action or proceeding (or part thereof) was authorized by the Board.

Section 2. Advancement of Expenses. (A) Expenses incurred by a Director or officer in connection with any action or proceeding as to which indemnification may be given under Section 1 of this Article V may be paid by the corporation in advance of the final disposition of such action or proceeding upon (1) the receipt of an undertaking by or on behalf of such Director or officer to repay such advancement in case such Director or officer is ultimately found not to be entitled to indemnification as authorized by this Article V and (2) approval by the Board.

(B) To the extent permitted by law, the Board will not be required to find that the Director or officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding before the Corporation makes any advance payment of expenses hereunder.

Section 3. Availability and Interpretation. To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article V (A) will be available with respect to events occurring prior to the adoption of this Article V, (B) will continue to exist after any rescission or restrictive amendment of this Article V with respect to events occurring prior to such rescission or amendment, (C) will be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding or, at the sole discretion of the Director or officer (or, if applicable, at the sole discretion of the testator or intestate of such Director or officer seeking such rights), on the basis of applicable law in effect at the time such rights are claimed and (D) will be in the nature of contract rights that may be enforced in any court of competent jurisdiction as if the Corporation and the Director or officer for whom such rights are sought were parties to a separate written agreement.

Section 4. Other Rights. The rights of indemnification and to the advancement of expenses provided in this Article V will not be deemed exclusive of any other rights to which any Director or officer of the Corporation or other person may now or hereafter be otherwise entitled, whether contained in these by-laws, a resolution of the Board or an agreement providing for such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in this Article V will not be deemed exclusive of any rights, pursuant to statute or otherwise, of any Director or officer of the Corporation or other person in any action or proceeding to have assessed or allowed in his or her favor, against the Corporation or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

Section 5. Severability. If this Article V or any part hereof is held unenforceable in any respect by a court of competent jurisdiction, it is deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article V will remain fully enforceable. Any payments made pursuant to this Article V will be made only out of funds legally available therefor.

ARTICLE VI

POLICIES & PROCEDURES

Section 1. Projects. Reserved

Section 2. Miscellaneous.

(A) The Corporation will not approve any project to be located on a site or within an area which does not conform to or has not been granted a variance from the zoning laws of the State, county, town or village.

(B) The Corporation will not approve any project which would be in violation of New York State Environmental Quality Review Act.

(C) The Corporation will not approve any project which would be or is in violation of the health, labor or other laws of the State of New York or the United States or of the local laws of Town of Waterford and any city or village in the Town of Waterford.

Section 3. Audit of Records and Accounts.

(A) The Corporation will annually secure a certified audit of its financial records and accounts and will file a copy of such certified audit with the Town of Waterford Town Board within ninety days after the close of the Corporation's fiscal year.

(B) The Corporation may require any other operating statements that it determines is required for daily operation.

Section 4. Conveyance of Property. The Corporation may insert in a contract for a project that upon the payment in full of all notes, bonds and indebtedness incurred in connection with a project that the Corporation will convey the lands, buildings and equipment involved in said project and so paid for to the tenant or operator of the same upon terms set forth in such contract and that the additional consideration for such conveyance may be nominal.

Section 5. Additional Policies. The Corporation by resolution may adopt such rules, regulations, policies and procedures as it may deem necessary and appropriate to the operation so long as the same is not contrary to these by-laws as they may be amended from time to time.

ARTICLE VII

AMENDMENTS

Section 1. Amendments to By-laws. The by-laws of the Corporation may be amended with the consent of the Chairman of the Town of Waterford Town Board and the approval of a majority of all the Directors of the Corporation at a regular meeting or at a special meeting called for that purpose; but no such amendment will be adopted unless at least thirty days written notice thereof has been previously given to all Directors of the Corporation and to the Chairman of the Town of Waterford Town Board.

In effect as of July 29, 2014.