

CORPORATE ORGANIZATION RESOLUTION

The organizational meeting of the Board of Directors of Chautauqua County Land Bank Corporation was convened on November 14, 2012 at 9:00 AM in the Conference Room of the County of Chautauqua Industrial Development Agency.

The following resolution was duly offered and seconded, to wit:

Resolution No. 1-2012

RESOLUTION OF CHAUTAUQUA COUNTY LAND BANK CORPORATION ADOPTING CERTAIN POLICIES, STANDARDS AND PROCEDURES RELATING TO ITS ORGANIZATION AND IN CONNECTION WITH THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF THE STATE OF NEW YORK

WHEREAS, on March 28, 2012, the Chautauqua County Legislature (the “Legislature”) approved the formation of the Chautauqua County Land Bank Corporation (hereinafter the “Corporation”) with the County of Chautauqua serving as the sole member, (the “Member”) of the Corporation; and

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law (“N-PCL”) of the State of New York (the “State”), hereinafter referred to as the “Act”, the Certificate of Incorporation for the Corporation was filed with the Secretary of State on September 6, 2012; and

WHEREAS, the Corporation desires to adopt By-laws of the Corporation; and

WHEREAS, the Corporation desires to take certain initial organizational steps and adopt certain policies, standards and procedures necessary and as directed by the sole member, to comply with the provisions of the Public Authorities Accountability Act, Open Meetings Law and Freedom of Information Law and to thereafter approve the acquisition of certain property.

NOW, THEREFORE, BE IT RESOLVED by the members of the Board of the Corporation (the “Board”) as follows:

Section 1. The following persons have been elected by the Directors to serve in the offices set forth next to their names until their respective successors are elected and shall qualify or until their earlier resignations:

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|--------------------|---------------------|
| Peter Lombardi | Chairman |
| Michael Bradshaw | Vice-Chairman |
| Jeffrey Gossett | Secretary |
| James Caflisch | Treasurer |
| Deborah Liliestedt | Assistant Secretary |
| Richard Dixon | Assistant Treasurer |

The officers shall enter upon the discharge of their duties as provided in the By-laws of the Corporation.

Section 2. The By-laws, in the form of Exhibit A, are adopted as and for the By-laws of the Corporation, and the Secretary is instructed to insert such copy of the By-laws in the minute book of the Corporation.

Section 3. The form of corporate seal, an impression of which is affixed hereto, is adopted as the corporate seal of the Corporation.

Section 4. All acts and transactions of any director or the persons named herein as officers of the Corporation that were taken or made prior to and including the date of the creation of the Corporation and all acts and transactions (if any) of any director, and the persons named herein as officers of the Corporation that were taken or made from the date of creation of the Corporation and all acts and transactions taken to the date of this resolution are ratified and approved.

Section 5. The Chairman, the Directors and other authorized representatives of the Corporation are hereby authorized, empowered and directed to do all things, and acts and to execute all documents as may be necessary, or advisable and proper, to carry on the business of the Corporation, for and on behalf of the Corporation, including, but not limited to, establishing a federal Employer Identification Number ("EIN") for the Corporation and applying to the Internal Revenue Service and to the New York Department of Taxation and Finance for tax-exempt status and recognition.

Section 6. The Chairman, with the assistance of the Directors and other officers of the Corporation, is hereby directed to develop a budget for the Corporation, with such budget to be reviewed, and if necessary, modified, for acceptance and approval at the next meeting of the Board of Directors.

Section 7. Pursuant to subdivision 2 of Section 2824 of the Public Authorities Law ("PAL") of the State, all members of the Board shall participate in State-approved training regarding their legal, fiduciary, financial and ethical responsibilities as directors within one (1) year of their appointment to the Corporation. Further, a majority of the Board members shall execute a certificate of independence pursuant to subdivision 2 of Section 2825 of the PAL. Such certificate shall be executed in substantially the form attached hereto as Exhibit B.

Section 8. Pursuant to subdivision 2 of Section 2824 of the PAL, all members of the Board shall 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 9. Pursuant to subdivision 3 of Section 2825 of the PAL, on or before April 30th of each year, all Corporation Board members, officers and employees shall file annual financial disclosure statements with the County pursuant to the Chautauqua County Code of

Ethics. All Corporation Board members, officers and employees shall be subject to the conflict of interest provisions set forth in Section 1614 of the Not-For-Profit Corporation Law and the County's Code of Ethics.

Section 10. Pursuant to subdivision 4 of Section 2824 of the PAL, an Audit Committee is hereby formed, being comprised of William Carlson, Jeffrey Gossett, and John Hemmer for the purpose of recommending to the Board the hiring of a certified independent accounting firm, establishing the compensation to be paid to the accounting firm and providing direct oversight of the performance of the independent audit to be performed on or after fiscal year ending on December 31, 2012 by the accounting firm hired for such purposes.

Section 11. Pursuant to subdivision 7 of Section 2824 of the PAL, a Governance Committee is hereby formed, being comprised of Mike Bradshaw, Lori Cornell, and Steve Neratko for the purpose of keeping the Board informed of current best governance practices, to review corporate governance trends; to update the Corporation's corporate governance principles; to advise appointing the Corporation on skills and experiences required of potential Board members; to examine ethical and conflict of interest issues; to perform board self-evaluations; and to recommend by-laws which include rules and procedures for conduct of board business.

Section 12. Pursuant to subdivision 8 of Section 2824 of the PAL, a Finance Committee is hereby formed, being comprised of James Caflisch, Steve Centi, and Peter Lombardi for purposes to include the reviewing of proposals for the issuance of debt by the Corporation and to make recommendations regarding such debt and other financial matters.

Section 13. Pursuant to subdivision 2(a) of Section 2800 of the PAL, the Board shall submit to the County Executive, County Director of Finance, and the Chairman of the Chautauqua County Legislature, and the New York State Authority Budget Office within ninety (90) days after the end of the Corporation's fiscal year (with the first report due by March 31, 2013 for fiscal year ending December 31, 2012), a complete and detailed report (the "Annual Report"). Once completed, and prior to submission, the Chairman and the Treasurer of the Corporation shall certify that the financial information contained in the Annual Report is accurate, correct and does not contain any untrue statements. The certification executed shall be in substantially the form attached hereto as Exhibit C.

Section 14. Pursuant to subdivision 2 of Section 2801 of PAL, on or before December 15, 2012, the Corporation will submit to the County Executive, Chairman of the County Legislature of the County, and the Director of Finance of the County, along with the New York State Authority Budget Office, the Corporation's budget for fiscal year beginning January 1, 2013 and ending December 31, 2013.

Section 15. All procurements and purchases of the Corporation shall be accomplished in accordance with the purchasing policies of Chautauqua County and applicable provisions of the N-PCL.

Section 16. For the Corporation fiscal year ending December 31, 2013 and each year thereafter, the Corporation will abide by the following rules relating to audit services:

- (a) The certified independent public accounting firm performing the Corporation's audit will be prohibited from providing audit services if the lead (or coordinating) audit partner responsible for reviewing the audit, has performed audit services for the Corporation in each of the five previous fiscal years;
- (b) The certified independent public accounting firm performing the audit shall be prohibited from performing any non-audit services to the Corporation contemporaneously with the audit, unless receiving previous written approval by the audit committee including: (i) bookkeeping or other services related to the accounting records or financial statement of the Corporation, (ii) financial information systems design and implementation, (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports, (iv) actuarial services, (v) internal audit outsourcing services, (vi) management functions or human services, (vii) broker or dealer, investment advisor, or investment banking services and (viii) legal services and expert services unrelated to the audit; and
- (c) It shall be prohibited for any certified independent public accounting firm to perform for such Corporation any audit service 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 (1) year period preceding the date of the initiation of the audit.

Section 17. The following policies, as presented at this meeting, are hereby adopted and approved:

- (a) The Compensation, Reimbursement and Attendance Policy attached hereto as Exhibit D;
- (b) The Whistleblower Policy attached hereto as Exhibit E;
- (c) The Investment Policy attached hereto as Exhibit F;
- (d) The Travel Policy attached hereto as Exhibit G;
- (e) The Land Acquisition and Disposition Policies and Priorities, attached hereto as Exhibit H, is hereby ratified and approved along with the appointment of the Chairman as the "Contracting Officer" of the Corporation.
- (f) The Defense and Indemnification Policy attached hereto as Exhibit I.

Section 18. The members hereby designate Stephen M. Abdella as the FOIL Officer and the Chairman as the FOIL Appeal Officer. All documents subject to FOIL shall be filed with the County Clerk.

Section 19. This resolution shall take effect immediately.

STATE OF NEW YORK)
COUNTY OF CHAUTAUQUA) SS:

I, the undersigned, Secretary of Chautauqua County Land Bank Corporation, DO
HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of Chautauqua County Land Bank Corporation (the "Corporation"), including the resolution contained therein, held on November 14, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Corporation and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Corporation had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Corporation present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation this 14th day of November, 2012.

Secretary

[SEAL]