

BYLAWS OF
SCHOHARIE ECONOMIC ENTERPRISE CORPORATION

ARTICLE I

NAME, PURPOSES, OFFICES AND CORPORATE SEAL

Section 1.01 Name. The name of the Corporation shall be Schoharie Economic Enterprise Corporation (hereinafter "Corporation").

Section 1.02 Purposes. The purposes of this Corporation shall be as set forth in its Certificate of Incorporation.

Section 1.03 Offices. The location of the principal office of the Corporation shall be in the County of Schoharie and State of New York, or at such other location within the State of New York as the Board of Directors may designate.

ARTICLE II

MEMBERS

Section 2.01 Members. The Corporation shall have no members, as that term is defined in the New York Not-for-Profit Corporation Law.

ARTICLE III

BOARD OF DIRECTORS

Section 3.01 Powers and Authority. The property, business and affairs of the Corporation shall be managed and controlled by the Board of Directors. The Board of Directors shall have, in addition to the powers and authority expressly conferred upon it by these Bylaws, the right, power and authority to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation as a corporation organized under the New York Not-For-Profit Corporation Law but subject, nevertheless, to the statutes of the State of New York, and to the provisions of the Certificate of Incorporation and the Bylaws of the Corporation.

Section 3.02 Number. The Board of Directors shall consist of not less than three (3) Directors.

Section 3.03 Election. The Board of Directors shall be elected at the annual meeting of the Directors. The entire Board shall consist of the number of Directors that were elected as of the most recently held election of Directors.

Section 3.04 Vacancies. Any vacancy occurring among the Directors, including any vacancy to be filled by reason of an increase in the number of Directors, may be filled by vote of the Directors, unless otherwise required by law, the Certificate of Incorporation, or these Bylaws. A Director elected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office, and a Director elected to fill a newly created directorship shall serve until the next succeeding annual meeting of the Directors and until his or her successor shall have been elected and qualified.

Section 3.05 Removal. Any Director or Officer may at any time be removed, with or without cause, by a two-thirds (2/3) vote of the Directors at a special meeting called for the purpose with due notice. Any Director who has three (3) consecutive un-excused absences shall be deemed automatically removed, but may be reinstated by a vote of the majority of the Directors for good cause shown.

Section 3.06 Resignation. A Director may resign by providing written notice to the Chairperson. If the resigning director is the Chairperson, such written notice shall be provided to the Secretary. Such resignation shall be effective upon receipt, or upon any subsequent time set forth in the notice of resignation.

Section 3.07 Annual Meetings. The Board of Directors shall hold an annual meeting in May each year for the purpose of electing Directors and Officers.

Section 3.08 Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be fixed by the Board of Directors from time to time. Meetings shall be held at the offices of the Corporation or at such other place as may be designated by the Chairperson. Notice of all regular meetings of the Directors shall be given personally or by regular or electronic mail or by facsimile not less than ten (10) days prior to the meetings. If notice is sent by electronic mail or facsimile, such notice shall be deemed given when directed to the Director's electronic mail address or facsimile number as it appears on the record of Directors. Such delivery shall not be deemed given if there are two consecutive notices of delivery failure or the Corporation becomes aware that notice cannot be delivered to a Director by electronic mail or facsimile.

Section 3.09 Special Meetings. Special meetings of the Directors may be called by the Chairperson or by any three (3) Directors on ten (10) days written notice to each Director either personally, by first class mail, by facsimile telecommunications or by electronic telecommunications.

Section 3.10 Quorum. At any duly called meeting of the Board of Directors, a majority of the Directors shall constitute a quorum. Any corporate action to be taken by vote shall be authorized by a majority of Directors present, unless the law, the Certificate of Incorporation, or the Bylaws require a different number.

Section 3.11 Action by Unanimous Written Consent. Any action required or permitted to be taken by the Directors or a committee thereof may be taken without a meeting, if all members of the Board of Directors or committee consent to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If written, the consent must be executed by the director by signing the consent or by causing the director's signature to be affixed to the consent by reasonable means, including, but not limited to facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonable be determined that the transmission was authorized by the director. Such consent or consents shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state the action was taken by the unanimous written consent of the Directors without a meeting and that these Bylaws authorized the Directors to so act. Such statement shall be prima facie evidence of such authority.

Section 3.12 Participation by Telephonic or Video Conference. Any one or more of the Directors may participate in any meeting of the Board or any committee thereof by means of a conference telephone or similar communications equipment or by electronic video communication. Participation by such means shall constitute presence in person at the meeting as long as all persons participating in the meeting can hear each other at the same time and each director can participate in all matters before the Board of Directors or committee, including without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the Board of Directors or committee.

Section 3.13 Compensation and Fiduciary Obligations.

(a) Compensation. No Director shall receive any compensation for any services performed, but such Director may be reimbursed for out-of-pocket expenses necessarily incurred in connection with his or her duties as a Director.

(b) Fiduciary Standards. Directors shall discharge their duties in good faith and with that degree of diligence, care and skill which ordinarily prudent persons would exercise under similar circumstances in like positions. In discharging their duties, Directors, when acting in good faith, may rely upon the financial statements of the Corporation represented to them to be correct by the Chairperson or the Treasurer of the Corporation, or stated in a written report by an independent public or certified public accountant or firm of such accountants, fairly to reflect the financial condition of the Corporation.

(c) Liability and Indemnification. The liability of the Directors, whether joint or several, shall be as set forth in Section 719 of the New York Not-For-Profit Corporation Law, subject to indemnification by the Corporation under these Bylaws.

ARTICLE IV

OFFICERS

Section 4.01 Officers and Election. The Officers of the Corporation shall be a Chairperson, Secretary, and Treasurer. The Directors shall elect a Chairperson, a Secretary and a Treasurer at the annual meeting of the Board of Directors from among the Directors.

Section 4.02 Terms of Office, Vacancies and Removal of Officers. The terms of office of the Officers of the Corporation shall be one (1) year or until their successors are elected and qualified. Any Officer may be removed with or without cause by two-thirds (2/3) vote of the Board of Directors. The removal of an Officer without cause shall be without prejudice to such Officer's contract rights, if any; provided, however, that election or appointment of an Officer shall not of itself create contract rights. The Directors may fill the unexpired term of any vacancy which occurs in any office of the Corporation

Section 4.03 Chairperson. The Chairperson shall call, preside at and conduct all meetings of the Board of Directors. He or she shall prepare the order of business for all meetings with due regard to expediting the business of the meeting and including, therein, any matters which may be ordered by the Board of Directors. The Chairperson shall have the authority to appoint special committees not otherwise provided for by these Bylaws. He or she shall be a member of the Executive Committee, if any, and shall serve as Chairperson of that Committee and shall be an ex officio member of all committees of the board and special committees.

Section 4.04 Secretary. The Secretary shall keep the minute books of meetings of the Board of Directors; shall give and serve all required notices of meetings; shall have custody of the records of the Corporation; shall have custody of the seal of the Corporation and affix it to such instruments or documents as may be authorized by the Board of Directors; and shall keep, and shall make the records of the Corporation available for inspection during business hours at the principal office of the Corporation by any Director; and shall perform all other duties incident to the office of Secretary.

Section 4.05 Treasurer. The Treasurer shall report the financial condition of the Corporation to the Board.

ARTICLE V

COMMITTEES

Section 5.01 Committees. The Board, by resolution adopted by a majority of the entire Board, may designate from among its members an Executive Committee and other committees, each consisting of three (3) or more Directors, as are necessary to fulfill its obligations under Section 3.01 above. Each such committee and its members shall serve at the pleasure of the Board.

Section 5.02

Executive Committee.

(a) The Executive Committee, if any, shall consist of the Board Chairperson, Secretary, and Treasurer.

(b) Except as otherwise provided in a resolution of the Board, the Executive Committee shall possess the full authority of the Board, except that neither the Executive Committee nor any other committee shall have authority as to the following matters:

- (1) the amendment of the Corporation's Certificate of Incorporation;
- (2) the amendment or repeal of the Bylaws, or the adoption of new Bylaws;
- (3) the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable;
- (4) the filling of vacancies in the Board of Directors or in any committee,
- (5) the fixing of compensation of the Directors for serving on the Board or on any committee,
- (6) The election or removal of officers and directors,
- (7) the approval of a merger or plan of dissolution, and
- (8) the adoption of a resolution recommending to the Board of Directors action on the sale, lease, exchange or other disposition of all or substantially all the assets of a corporation or, the authorization of such transaction.

Section 5.03

Audit Committee.

(a) The audit committee shall be solely comprised of independent directors, as defined by the Not-for-Profit Corporation Law, and is responsible for annually retaining or renewing the retention of an independent auditor to conduct the audit of the corporation and its affiliates, as defined in the Not-for-Profit Corporation Law, and, upon completion thereof, review the results of the audit and any related management letter with the independent auditor. It shall be responsible for reviewing with the independent auditor the scope and the planning of the audit prior to the audit's commencement and upon completion of the audit, any material risks and weaknesses in internal controls identified by the auditor; any restrictions on the scope of the auditor's activities or access to requested information; any significant disagreements between the auditor and management; and the adequacy of the corporation's accounting and financial reporting processes. It shall consider the performance and independence of the independent auditor annually and oversee the adoption, implementation of, and compliance with the corporation's conflict of interest and whistleblower policies. It shall have any other functions set forth in the resolution initially establishing the Committee. It shall also have audit oversight responsibility for each affiliate corporation. It shall report the committee's activities to the Board.

Section 5.04 Committees of the Board. All committees of the Board shall consist solely of directors and shall have such authority as provided in the resolution creating such committee.

Section 5.05 Committees of the Corporation. All committees of the corporation, as designated by the Board pursuant to resolution, may consist of individuals who are not directors; provided, however, that such committees of the corporation shall not be able to bind the corporation.

Section 5.06 Minutes. Each committee shall keep minutes of its proceedings.

ARTICLE VI

ADVISORY COUNCIL

Section 6.01 The Corporation may establish an Advisory Council to provide insight and guidance with regard to the Corporation's efforts, to develop policies to grow the economy of Schoharie County, and to discuss best practices and emerging trends. In the discretion of the Chairperson with the consent of the Board of Directors, individuals in the community whose experience, contacts and knowledge would be helpful to the Corporation and the fulfillment of the Corporation's purposes may be asked to serve as members of the Advisory Council.

ARTICLE VII

PROPERTY AND INVESTMENTS

Section 7.01 Disposition of Property Received. All property, whether real, personal or mixed, and any undivided interest or interests therein received by the Corporation by gift, grant, purchase, lease, bequest, devise or otherwise, either absolutely or jointly with any other person or persons or corporation, shall be held by the Corporation or disposed of by it in such manner, not inconsistent with the purposes of this Corporation, as the Board of Directors shall determine.

Section 7.02 Investments. Unless otherwise specified by the terms of the instrument under which the funds are received, the funds of the Corporation may be invested from time to time in such manner as the Board of Directors, or such committee as the Board may designate for the purpose, may deem advantageous, whether or not the investments are of the character which would be required by law for similar funds held by trustees.

Section 7.03 Execution of Instruments. The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Unless so authorized, no Officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, to pledge its credit or to render it pecuniarily liable for any purposes or in any amount.

Section 7.04 Checks and Notes. All checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of the Corporation shall be issued in the name of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 7.05 Deposits. All funds of the Corporation 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 or as may be required under escrow agreements.

ARTICLE VIII

RECORDS AND REPORTS

Section 8.01 Minutes of the Meetings. The Corporation shall keep at its principal office, or at such other place as the Board of Directors may order, a Corporate Record Book of minutes of all meetings of Directors, with the time and place convened, whether regular or special, and, if special, how authorized, the notice given, the names of those present thereat, and the proceedings thereat.

Section 8.02 Records of Account. The Corporation shall keep and maintain adequate and correct accounts of its properties and business transactions, including accounts of its assets, liabilities, equities, receipts, disbursements, gains and losses.

Section 8.03 Inspection of Records. The records of account shall at all reasonable times be open for inspection by any Director. Every Director shall have the absolute right at any reasonable business time to inspect all books, records, documents of every kind and all physical properties of the Corporation. Such inspection may be made in person or by agent or attorney and the right of inspection includes the right to make extracts.

Section 8.04 Annual Report and Financial Statement. The Board of Directors shall require the preparation of a written annual report including a financial statement, for presentation at the annual meetings of the Board of Directors. Such report shall summarize the Corporation's activities for the preceding year, and activities projected for the forthcoming year. The financial statement shall include a balance sheet, as of the close of business of the Corporation's fiscal year, and a summary of receipts and disbursements. This financial statement shall be prepared in such manner and form as is sanctioned by generally accepted accounting principles, and shall be attested by a certified public accountant.

ARTICLE IX

RELATED PARTY TRANSACTION

Section 9.01 The Corporation shall not enter into a transaction with any director, officer, key person, any relative of any of the foregoing, or any entity in which any of the foregoing (including relatives) have a thirty-five percent or greater interest (five percent if a partnership or professional corporation) (each a "related party") unless the transaction is determined by the Board to be fair, reasonable and in the Corporation's best interest at the time of such determination. Definitions and disclosure and procedural requirements for related party transactions and conflicts of interest are set forth in the Corporation's conflict of interest policy.

ARTICLE X

INDEMNIFICATION AND INSURANCE

Section 10.01 Indemnification.

(a) The Corporation shall provide indemnification to its Directors and Officers to the extent set forth in the Corporation's Certificate of Incorporation, or to the extent not set forth, to the full extent permitted by law.

(b) The foregoing right of indemnification shall not be deemed exclusive of any other right to which such Director or Officer may be entitled apart from this Article.

Section 10.02 Insurance.

(a) To the extent available, the Corporation shall carry directors' and officers' liability insurance in such amounts and with such companies as are acceptable to the Board of Directors.

ARTICLE XI

FISCAL YEAR; CORPORATE SEAL

Section 11.01 Fiscal Year. The fiscal year of the Corporation shall begin January 1, and end December 31 of each calendar year.

Section 11.02 Corporate Seal. The Board of Directors shall adopt a corporate seal which shall be in the form of a circle and bear the full name of the Corporation and the year of its incorporation.

ARTICLE XII

WAIVER OF NOTICE

Section 12.01 The giving of any notice required to be given under these Bylaws and the laws of the State of New York may be waived by any person or persons entitled to said notice, whether before or after the time or event referred to in such notice, which waiver shall be deemed, equivalent to such notice. Such waiver may be written or electronic. If written, the waiver must be executed by the person signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means including but not limited to facsimile signature. If electronic, the transmission of waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the person. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except when a person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE XIII

AMENDMENT

Section 13.01 The Bylaws may be amended by an affirmative vote of a majority of the Board of Directors at any meeting of the Board, provided that at least ten (10) days written notice of the proposed amendments is given.