

CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

COMPENSATION POLICY

1. Generally. Directors of the Chemung County Capital Resource Corporation shall serve without compensaton.
2. Reimbursement. Directors may be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties. Directors may not be compensated for rendering services to the Corporation in any capacity unless such other compensation is reasonable and is allowable under the provisions of Section 858 of the General Municipal Law.

RE-ADOPTED ON: June 4, 2015

Chemung County Capital Resource Corp.

Procurement Policy

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this procurement policy (the "Policy") is to outline the procurement policy of the Chemung County Capital Resource Corp (the "Agency") pursuant to Section 858-a(1) of Title One of Article 18-A of the General Municipal Law (the "Act") applicable to procurements of goods and services paid for by the Agency for its own use and benefit.

SECTION 2. SECURING GOODS AND SERVICES. All goods and services will be secured by use of written request for proposals, written quotations, verbal quotation, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided except for in the following circumstance: Purchases costing less than \$500; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; Purchases under state contracts pursuant to Section 104 of the General Municipal Law; Purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or Purchases pursuant to subdivision 4 of this Policy.

SECTION 3. METHOD OF PURCHASE. The following method of Purchase will be used when required by this Policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$500 - \$2,999	2 verbal quotations
\$3,000 and above	2 written quotations

Estimated Amount of Construction Works Contract Method

\$500 - \$2,999	2 Verbal quotations
\$3,000 and above	2 written quotations

(B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

(C) Documentation. Documentation is required of each action taken in connection with each procurement. Documentation and an explanation are required whenever a contract is awarded to other than the lowest responsible offerer. This documentation will include an explanation of how the reward will achieve savings or how the offerer was not responsible. A determination that the offerer is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST. Pursuant to Section 104-b(2)(f) of the General Municipal Law, this Policy may contain circumstances when, or types of procurements for which, in the sole discretion of the members of the Agency, the solicitation of alternative proposals or quotations will not be in the best interest of the Agency. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:

- (A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Agency, e.g., legal and accounting services, impact liability issues of the Agency and its members, including securities liability in circumstances where the Agency is issuing bonds. These qualification and the concerns of the Agency regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (a) whether the services are subject to state licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and the members of the Agency. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel; services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Agency-owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

- (B) Emergency Purchases. Emergency purchases pursuant to Section 103(4) of the General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals if time permits.
- (C) Purchase of Secondhand Goods. Purchases of surplus and second-hand goods from any source. If alternate proposals are required, the Agency is precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.
- (D) Goods or Services under \$1,000. The time and documentation required to Purchase through this policy may be more costly than the item itself and would therefore not be in the best interests of the agency. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

SECTION 5. POLICY REVIEW. This Policy will be reviewed annually by the Chemung County Capital Resource Corp. meeting which includes the Boards annual review of the agency audit or the regularly scheduled meeting immediately thereafter.

RE-ADOPTED ON: June 4, 2015

Chemung County Capital Resource Corporation
UNIFORM TAX EXEMPTION POLICY

I. PURPOSE AND AUTHORITY

The Chemung County Capital Resource Corporation has established a uniform tax exemption policy applicable to the provision of any financial assistance of more than one hundred thousand dollars to any project.

II. DEFINITION OF TERMS

All words and terms used herein and defined in the General Municipal Law shall have the meanings assigned to them in the General Municipal Law, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meaning set forth below, unless the context or use indicates another meaning or intent:

“Corporation” shall mean the Chemung County Capital Resource Corporation.

“Applicant” shall mean an applicant for financial assistance.

“County” shall mean the County of Chemung.

“Project” shall mean an activity which is undertaken by the Corporation for the benefit of an Applicant which has been or will be financed by the issuance by the Corporation of bonds, notes or other evidences of indebtedness with respect thereto.

“School District” shall mean any school district located in the County.

“Tax Exemption” shall mean exemption from mortgage recording taxes.

III. GENERAL PROVISIONS

The general policy of the Corporation is to grant a Tax Exemption to any Project which has been or will be financed by the issuance of Corporation bonds, notes or other evidences of indebtedness with respect thereto or otherwise assisted by the Corporation.

- A. *Application* – No request for a Tax Exemption shall be considered by the Corporation unless an application and environmental assessment form are filed with the Corporation on the forms prescribed by the Corporation. Such application shall contain the information requested by the Corporation, including a description of the proposed Project, the estimated value of the Tax Exemption sought with respect to the Project, the proposed financial assistance being sought with respect to the Project, the estimated date of completion of the Project, and whether such financial assistance is consistent with this part.
- B. *Exceptions* – The Corporation reserves the right to deviate from such policy in the sole discretion of the corporation.

IV. MORTGAGE RECORDING TAX EXEMPTION

State law provides that mortgages recorded by the Corporation are exempt from mortgage recording taxes imposed pursuant to Article 11 of the Tax Law.

The Corporation has a general policy of abating mortgage recording taxes for Applicants under the following circumstance:

1. Initial financing from the Corporation with respect to which Corporation issues debt secured by a mortgage upon real property;
 2. In instances where the initial financing commitment provides for a construction financing of the Corporation to be replaced by a permanent financing of the Corporation immediately upon the completion of the Project, the Corporation's general policy is to abate the mortgage recording tax on both the construction financing and the permanent financing.
 3. Refinancing of prior debt issued by the Corporation, and on any modifications, extensions and renewals thereof, so long as the Corporation fees relating to same have been paid.
- A. *Non-Corporation Financings* – With respect to transactions where the Project occupant needs to borrow money for purposes relating the Project, and the lender will not make the loan to the Project occupant without obtaining a fee mortgage as security, the policy of the Corporation is to consent to the granting of such mortgage and to join in such mortgage, so long as the following conditions are met;
1. The documents relating to such proposed mortgage make it clear that the Corporation is not liable on the debt, and that any liability of the Corporation on the mortgage is limited to the Corporation's interest in the Project;
 2. The granting of the mortgage is permitted under any existing documents relating to the Project, and any necessary consents relating thereto have been obtained by the Project occupant; and
 3. Payment of the Corporation fee relating to the total project cost.
- B. *Exemption Affidavit* – The act of granting a mortgage recording tax exemption by the Corporation is confirmed by the execution by an authorized officer of the Corporation of an exemption affidavit relating thereto.

V. REVIEW OF POLICY

At least every five years, the Corporation shall review its tax exemption policies to determining relevance, compliance with law, effectiveness, and shall adopt any modification or changes that it shall deem appropriate.

RE-ADOPTED ON: October 31, 2012

**INVESTMENT POLICIES AND GUIDELINES
OF THE
CHEMUNG COUNTY CAPITAL RESOURCE CORP.**

The objective of the investment policy of the Chemung County Capital Resource Corp. (CCCRC) is to minimize risk; to insure that investment mature when the cash is required to finance operations; and to insure a competitive rate of return. In accordance with this policy, the Treasurer of the CCCRC is hereby authorized to invest those funds as follows:

- Time deposits and checking accounts in a bank or trust company authorized to do business in New York State.
- Certificates of Deposit in a bank or trust company authorized to do business in New York State.
- Obligations of New York State.
- Obligations of the United States Government.
- All funds are to be insured by the Federal Deposit Insurance Corporation or by obligations of the State of New York of the United States Government or those State and Federal Agencies which are guaranteed by said state and federal governments.
- Said funds on deposit are public funds and shall have a Pledge of Collateral by the bank or trust company in which the funds are deposited.

All investments made pursuant to this investment policy shall comply with the following conditions:

- That the Treasurer shall determine the amount and length of time all funds are to be invested.
- The ultimate goal of the Agency will be to maintain strong banking relationships with banks or trust companies doing business with the CCCRC and secure the best possible return for the Agency.
- The Treasurer shall require notification by its depositories of all requested transfer of collateral. Written permission must be given by the Treasurer for all transfers and releases of collateral or securities.
- This policy authorizes the use of the United States Post Office for delivery of Certificates of Deposit to and from banks which are not local.
- Members of the Agency will, at least annually, or more frequently if required, review its investments and also discuss with the Agency Treasurer any changes contemplated in the established investment policy of the Agency. The Treasurer will prepare any reports requested by the Agency's Board to aid them monitoring the Agencies investment policy and performance.

CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

TRAVEL POLICY

1. Purpose and Authority. The purpose of this travel policy (the "Policy") is to implement Section 2824(1)(e) of Title Two of Article 9 of the Public Authorities Law (the "Act"), which requires that members of the board of directors of the Chemung County Capital Resource Corporation (the "Corporation") establish written policies and procedures applicable to travel paid for the Corporation.
2. Generally. It is the policy of the Corporation that uniform procedures be followed for the authorization and expenditure of funds for travel associated with the Corporation's business.
3. Policy Statement. The Corporation will reimburse members, employees and approved non-employees for necessary and reasonable travel expenses incurred in furtherance of the Corporation's business ("Qualified Expenses").
4. Pre-Approved Travel and Travel Related Expenses. Qualified Expenses incurred by Corporation members, employees or approved non-employees to be reimbursed by the Corporation, using Corporation funds that have been set aside for such purposes or that the Corporation has available for reimbursement of travel expenses (the "Travel Budget"), must be approved in advance by the Chief Executive Officer of the Corporation. The Chief Executive Officer will advise the Chief Financial Officer of all approved requests.
 - (a) The Chief Financial Officer shall continue to inform the Chief Executive Officer of the status of the Travel Budget throughout the year, so that the Chief Executive Officer is able to approve and/or deny travel expenses accordingly.
 - (b) The Chief Executive Officer or his/her designee will assist the member, employee, or approved non-employee, if desired, with arrangements for travel and the accompanying reimbursement procedures.
 - (c) Reimbursement of Qualified Expenses are subject to the substantiation and approval provisions contained within Section 7 hereof.
5. Unapproved Travel and Travel Related Expenses. Qualified Expenses that are incurred by Corporation members, employees, and approved non-employees who have not received prior approval from the chief Executive Officer, may be submitted for reimbursement. However, if the Travel Budget does not contain adequate funds to cover the entire amount of such travel expense, full reimbursement is subject to an amendment of the Travel Budget by the Corporation's members.
6. Specific Travel Expenses:
 - (a) Travel by Car/Mileage Expenses: Mileage shall ordinarily be computed between the Corporation Office and the traveler's destination. However, in the interest of convenience, mileage may be calculated from the traveler's residence and the traveler's destination, so long as the traveler resides within the county in which the Corporation is located.

- (i) Standard Mileage Reimbursement Rate: The mileage reimbursement rate will be equal to the optional standard mileage rate published by the Internal Revenue Service at the time of travel. The optional standard mileage rate takes into account and is meant to compensate for all actual automobile expenses such as fuel and lubrication, towing charges, repairs, replacements, tires, depreciation, insurance, etc.
 - (b) Travel by Air/Rail/Rental Car: Coach class or any discounted fare shall be used in the interest of economy. The use of business or first-class or other higher cost services may be authorized only in extenuating circumstances, which extenuating circumstances shall be presented to the Corporation's members in writing and approved by a majority of said members.
 - (c) Subsistence Expense: Subsistence expenses incurred while traveling consists of charges for lodging, meals and incidental expenses. For trips lasting 12 hours or less, expenses for lodging, meals and incidental expenses will not be reimbursed. An exception to such prohibition will be allowed for meal expenses if the meal is an integral part of a business meeting. For trips lasting greater than 12 hours, but less than 24 hours, expenses incurred for lodging, meals and incidentals will be fully reimbursed if reasonable and if approved pursuant to Sections 3,4 or 5 of this policy.
- 7. Reimbursement Procedure: A travel expense voucher reporting all Qualified Expenses pertaining to a particular trip must be submitted to the Chief Financial Officer of the Corporation within 45 days of the end of the trip.
 - (a) Substantiation: The travel expense voucher should include:
 - (i) Date and time of departure from and return to the Corporation or traveler's residence;
 - (ii) Purpose of the travel or the nature of the business benefit derived as a result of the travel;
 - (iii) Whether the expenses incurred during the travel were pre-approved; and
 - (iv) The amount of each expenditure, listed by date and location.
 - (b) Receipts: The original of the following receipts must be submitted along with the travel expense voucher.
 - (i) All travel tickets (i.e. airline tickets, train tickets, rental car agreement);
 - (ii) All meal receipts (i.e. signed credit card slips or payment stubs); and
 - (iii) All lodging receipts (i.e. hotel, motel receipts).
 - (c) Final Approval: The Chief Financial Officer shall review each travel expense voucher in order to ensure that the traveler has provided adequate substantiation and to determine whether the expenses listed therein are reasonable. The Chief Financial Officer may require a traveler to submit additional substantiation and, if the Chief Financial Officer finds a particular expense to be unreasonable (either as to amount or purpose), the Chief Financial Officer may deny reimbursement of the expense or reduce the amount of the reimbursement for such expense.

CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

PROPERTY DISPOSITION POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this property disposition policy (the “Policy”) is to implement Section 2824 (1)(e) of Title Two of Article 9 of the Public Authorities Law (the “Act”), which requires that members of the board of directors of the Chemung County Capital Resource Corporation (the “Corporation”) establish written policies and procedures applicable to the disposition of real property and personal property by the Corporation.

SECTION 2. DEFINITIONS.

- A. “Contracting officer” shall mean the officer or employee of the Corporation who shall be appointed by resolution to be responsible for the disposition of the property.
- B. “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with section 2897 of the Act.
- C. “Property” shall mean personal property with a fair market value in excess of five thousand dollars (\$5,000.00), real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

SECTION 3. DUTIES.

- A. The Corporation shall:
 - (i) maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control;
 - (ii) periodically inventory such property to determine which property shall be disposed of;
 - (iii) produce a written report of such property in accordance with subsection B herewith; and
 - (iv) transfer or dispose of such property as promptly and practicably as possible in accordance with Section 3 below.
- B. The Corporation shall:
 - (i) publish, not less frequently than annually, a report listing all real property owned in fee by the Corporation. Such a report shall include a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the Corporation and the name of the purchaser for all such property sold by the Corporation during such period; and

- (ii) shall deliver copies of such report to the Comptroller of the State of New York, the Directory of the Budget of State of New York, the Commissioner of the New York State Office of General Services, and the New York State Legislature (via distribution to the Majority Leader of the Senate and the Speaker of the Assembly).

SECTION 3. TRANSFER OR DISPOSITION OF PROPERTY

- A. Supervision and Direction. Except as otherwise provided herein, the duly appointed contracting officer (the “Contracting Officer”) shall have supervision and direction over the disposition and sale of property of the Corporation. The Corporation shall have the right to dispose of its property for any valid corporate purpose.
- B. Custody and Control. The custody and control of Corporation property, pending its disposition, and the disposal of such property, shall be performed by the Corporation or by the Commissioner of General Services when so authorized under this section.
- C. Method of Disposition. Unless otherwise permitted, the Corporation shall dispose of property for not less than its fair market value by sale, exchange, or transfer for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Corporation and/or contracting officer deems proper. The Corporation may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, except in compliance with all applicable law, no disposition of real property, any interest in real property, or any other property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.
- D. Sales by the Commissioner of General Services (the “Commissioner”). When the Corporation shall have deemed that transfer of property by the Commissioner will be advantageous to the State of New York, the Corporation may enter into an agreement with the Commissioner pursuant to which the Commissioner may dispose of property of the Corporation under terms and conditions agreed to by the Corporation and the Commissioner. In disposing of any such property, the Commissioner shall be bound by the terms hereof and references to the contracting officer shall be deemed to refer to such Commissioner.
- E. Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in property of the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of the these guidelines and all applicable law insofar as concerns title or other interest of any bona fide grantee or transferee who had given

valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

F. Bids for Disposal; Advertising; Procedure; Disposal by Negotiation; Explanatory Statement.

- (i) Except as permitted by all applicable law, all disposals or contracts for disposal of property made or authorized by the Corporation shall be made after publicly advertising for bids except as provided in subsection (iii).
- (ii) Whenever public advertising for bids is required under subsection (i) of this Section F:
 - (A) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property proposed for disposition;
 - (B) all bids shall be publicly disclosed at the time and place stated in the advertisement; and
 - (C) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation, price and other factors considered; provided, that all bids may be rejected at the Corporation's discretion.
- (iii) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsections (i) and (ii) of this Section F but subject to obtaining such competition as is feasible under the circumstances, if:
 - (A) the personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity, or other quality of similar effect, that would tend to increase its value, or if the personal property were to be sold in such quantity that, if it were disposed of by bid, would adversely effect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;
 - (B) the fair market value of the property does not exceed fifteen thousand dollars (\$15,000.00);
 - (C) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;

(D) the disposal will be to the state or any political subdivision or public benefit corporation, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;

(E) such action is otherwise authorized by law.

G. Transfer of Property for Less than Fair Market Value. (i) The Corporation may dispose of its property for less than fair market value under the following circumstances.

- (i) The transferee is a government or other public entity, and the terms and conditions require that the ownership and use of the asset will remain with the government or other public entity;
- (ii) The purpose of the transfer is within the purpose, mission or governing statute of any other public entity;
- (iii) In the event the Corporation seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with the Corporation's mission, purpose or governing statutes, such authority shall provide written notification thereof to the governor, the speaker of the assembly, and;
- (iv) The disposal involves any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.
- (v) Each such statement shall be transmitted to the persons entitled to receive copies of the report required under all applicable law not less than ninety (90) days in advance of such disposal, and a copy thereof shall be preserved in the files of the Corporation making such disposal.

This Policy is subject to modification and amendment at the discretion of the Corporation and shall be filed annually with all local and state agencies as required under all applicable law.

RE-ADOPTED ON: June 4, 2015

CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

PROPERTY ACQUISITION POLICY

Section 1. Purpose and Authority. The purpose of this property acquisition policy (the “Policy”) is to implement Section 2824 (1) (e) of Title Two of Article 9 of the Public Authorities Law (the “Act”), which requires that members of the board of directors of the Chemung County Capital Resource Corporation (the “Corporation”) establish written policies and procedures applicable to the acquisition of real property by the Corporation.

Section 2. Definitions.

1. “Acquire” or “acquisition” shall mean acquisition of title or any other beneficial interest in personal or real property.
2. “Contracting Officer” shall mean the officer or employee of the Corporation who shall be appointed by resolution to be responsible for the acquisition of property.
3. “Property” shall mean personal property in excess of five thousand dollars (\$5,000) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Section 3. Duties.

1. The Corporation shall maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control.
2. The Corporation shall prepare, not less frequently than annually, a report listing all real property owned in full by the Corporation. Such report shall consist of a list and full description of all real and personal property acquired of during such period. The report shall contain the price paid by the Corporation and the name of the seller for all such property acquired by the Corporation during such period.

Section 4. Acquisition of Property.

1. Supervision and Direction. Except as otherwise provided herein, the duly appointed Contracting Officer shall have supervision and direction over the acquisition of the property of the Corporation. The Corporation shall have the right to acquire its property for any valid corporate purpose.
2. Appraisal Report. An independent appraiser shall be hired to provide an opinion of fair market value before the Corporation shall make an offer with respect to the acquisition of the property. The appraiser should have a professional affiliation with a national appraisal organization and must not have an interest in the property (or be retained as an agent to sell the property). The appraisal report shall be in form and substance satisfactory to the Corporation and shall be included in the record of the transaction.

Notwithstanding the foregoing, the preparation of an appraisal report shall not be required where the Corporation is acquiring the property pursuant to a donation, or if the valuation of the property is uncomplicated and the fair market value is determined to be less than \$10,000.

3. Method of Acquisition.

- (a) Voluntary Acquisition. Unless otherwise permitted by applicable law, the Corporation shall acquire property for not more than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other items and conditions as the Corporation and/or Contracting Officer deems proper. The Corporation may execute such documents for the acquisition of title or other interest in property and take such other action as it deems necessary or proper to acquire such property under the provision of the section. Provided, however, the Corporation may acquire property for more than its fair market value, as described in an appraisal report reviewed by the Corporation, upon a finding by the Corporation pursuant to resolution of the corporation that the acquisition of such property at such price is necessary for the Corporation to (x) further its corporate purpose, and/or (y) avoid the expense and delay of condemnation.
- (b) Condemnation: Unless otherwise prohibited by applicable law, the Corporation may acquire property by condemnation. The Corporation shall initiate any condemnation proceedings by resolution of the Corporation and such resolution shall include findings and determinations made by the Corporation in connection with the decision by the Corporation to initiate such condemnation proceedings. Such findings and determinations may include the following: that the owner of the property has not responded to a reasonable offer for the acquisition of the property, that the Corporation has negotiated for a reasonable amount of time with the owner of the property and that the property is necessary to further the corporate purposes of the Corporation.

4. Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the seller of the property and accepted by the Corporation, purporting to transfer title or any other interest in property of the seller to the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of this Policy and all applicable law in so far as concerns title or other interest of any bona fide grantor or transferor who has received valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

5. Insurance. The Corporation must ensure that all insurable real and personal property under its control is insured against physical loss or damage.