

RENSSELAER COUNTY CAPITAL RESOURCE CORPORATION

COMPENSATION POLICY

ARTICLE I

GENERAL PROVISIONS

SECTION 1.1. PURPOSE. The purpose of this policy (the "Policy") is to set forth the policy of Rensselaer County Capital Resource Corporation (the "Corporation") regarding the payment of compensation and the reimbursement of expenses to directors, officers and employees of the Corporation.

SECTION 1.2. DEFINITIONS. For purposes of this Policy, the following terms shall have the following meanings:

"Act" shall mean Section 1411 of the Not-for-Profit Corporation Law of the State of New York, as amended.

"Board" shall mean the directors of the Corporation, acting as the governing board of the Corporation.

"Compensation" shall include base salary, variable salary, health insurance benefits, membership dues, professional licensing fees, and reimbursement of unsubstantiated business expenses.

SECTION 1.3. AT-WILL EMPLOYEES. Nothing in this policy shall be interpreted to affect the at-will relationship between the Corporation and the Corporation's officers and employees.

ARTICLE II

BOARD DIRECTORS

SECTION 2.1. DUTIES. The directors of the Board of the Corporation shall be available as required to perform the operations of the Corporation and as set forth within the By-Laws of the Corporation and in the policies and procedures of the Board and any other directives of the Board relating to same, as the same may be amended, restated or revised by the Board from time to time. Said directors of the Board of the Corporation shall put forth their best efforts to perform their respective duties as outlined in the By-Laws of the Corporation and any other directives of the Board relating to same.

SECTION 2.2 COMPENSATION. The directors of the Board of the Corporation (including directors of the Board of the Corporation who also serve as officers of the Corporation) shall serve without compensation at the pleasure of the County Executive of Rensselaer County, New York (the "County"), but may be reimbursed for reasonable expenses incurred in the performance of Corporation duties at the approval of the Board.

SECTION 2.3. REIMBURSEMENT OF EXPENSES. 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 other than director unless such other compensation is reasonable.

ARTICLE III
OFFICERS AND EMPLOYEES

SECTION 3.1. DUTIES. (A) Officers. The officers of the Corporation (1) serve at the pleasure of the Board and (2) shall be available as required to perform the operations of the Corporation under the direction of the Board of the Corporation and as set forth within the By-Laws of the Corporation and in the policies and procedures of the Corporation and any other directives of the Corporation relating to same, as the same may be amended, restated or revised by the Board from time to time. Said officers of the Corporation shall put forth their best efforts to perform their respective duties as outlined in the directions of said Board and consistent with such By-Laws, policies, procedures and other directives.

(B) Employees. The employees of the Corporation (1) serve at the pleasure of the Board and (2) shall be available as required to perform the operations of the Corporation under the direction of the officers of the Corporation and as set forth in the policies and procedures of the Corporation and any other directives of the Corporation relating to same, as the same may be amended, restated or revised by the Board from time to time. Said employees of the Corporation shall put forth their best efforts to perform their respective duties as outlined in the directions of said officers and consistent with such By-Laws, policies, procedures and other directives.

SECTION 2.2. COMPENSATION PROGRAM. (A) General. The Corporation provides every officer (excepting directors of the Board who also serve as officers of the Corporation) and every employee with a compensation program that includes base compensation, reimbursement of expenses, incentive compensation, and related fringe benefit costs (collectively, the "Compensation Program").

(B) Base Compensation. The Corporation provides every officer (excepting directors of the Board who also serve as officers of the Corporation) and every employee with a base salary, which base salary for each individual officer or employee shall be in such amount as may be approved by the Board from time to time. This base salary is paid to every such officer and employee in bi-weekly pay periods pursuant to the Corporation's ordinary payroll practices.

(C) Reimbursement of Expenses. Officers and employees of the Corporation may be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties in accordance with the policies and procedures of the Corporation and any other directives of the Corporation relating to same.

(D) Fringe Benefits. Based upon the policies and procedures of the Board and any other directives of the Board relating to same, the Board may provide additional fringe benefits to individual officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation.

(E) Proposed Budget. A preliminary budget for the Compensation Program, including base compensation and any recommended salary adjustments, together with fringe benefits shall be proposed annually by the Chief Executive Officer of the Corporation to the Board of the Corporation. Base compensation and salary adjustments shall be proposed after taking into consideration the Corporation's budget constraints.

(F) Budget. After taking into consideration (1) the proposed budget, (2) the experience of the particular individuals, (3) existing compensation ranges and fringe benefit programs and appropriate economic, geographic, and competitive salary ranges and fringe benefits for comparable positions in the region and with respect to economic development professionals in New York State in particular, (4) the Corporation's budget constraints and (5) other appropriate discretionary factors, the Board will then review the proposed budget, make any changes thereto deemed appropriate, and adopt the budget for the Compensation Program.

(G) Incentive Compensation. To ensure that compensation and recognition of such officers (excepting directors of the Board who also serve as officers of the Corporation) and employees are commensurate with their efforts, the Corporation has decided, in its sole discretion and only in years in which the finances of the Corporation are such as to permit the Corporation to pay incentive compensation, to provide such officers and employees who have performed services for the Corporation at times other than their regularly scheduled hours and/or have performed services for the Corporation in an exceptional manner, with additional compensation ("Incentive Compensation") in the manner provided in Section 2.3 of this Policy.

SECTION 2.3. INCENTIVE COMPENSATION. (A) Purpose. All officers and employees of the Corporation, by nature of their position, are required and expected to be available for work assignments without additional remuneration at times other than their regularly scheduled hours. The purpose of this Section 2.3 is to establish the circumstances under the Board may determine to pay Incentive Compensation to officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation who have performed services for the Corporation at times other than their regularly scheduled hours and/or have performed services for the Corporation in an exceptional manner, in order to ensure that compensation and recognition of such officers and employees are commensurate with their efforts. This policy enables the Corporation:

(1) To compensate officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation based on the performance results of the Corporation and the individual officer or employee in a given calendar year; and

(2) To reinforce the focus on performance by enabling officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation to benefit in proportion to the results they produce.

This Incentive Compensation is strictly an additional payment to officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation above the base salary, and in no way affects the base salary.

(B) Incentive Compensation Policy. In years in which the finances of the Corporation are such as to permit the Corporation to pay Incentive Compensation, to provide officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation who have performed services for the Corporation at times other than their regularly scheduled hours and/or have performed services for the Corporation in an exceptional manner, the Board may determine to pay Incentive Compensation to such officers and employees.

(C) Decision to Pay Incentive Compensation. The decision to pay Incentive Compensation is linked not only to the Corporation's budgetary constraints, but also to the accomplishment of the Corporation's goals at various levels. Each year, the Board of the Corporation may approve Incentive Compensation as part of the overall salaried compensation program.

(D) General Guidelines.

(1) Maximum Incentive Pay. The maximum amount (% of base salary) of Incentive Compensation shall be determined by the Board as part of the budget for the applicable calendar year.

(2) Performance Measures. The strategic goals of the Corporation (the "Goals"), and performance measures related thereto (the "Performance Measures"), provide the basis for determining the amount of Incentive Compensation that officers (excepting directors of the Board who also serve as officers of the Corporation) and employees of the Corporation can earn. These Goals and Performance Measures shall be determined by the Board by the beginning of the applicable calendar year.

(3) Individual Review. The Board will determine the contribution that each individual officer or employee made to the achievement of the Corporation's Goals (the "Individual Contribution Rating"). These Individual Contribution Ratings further determine eligibility for, and the specific amount of Incentive Compensation that individual officers and employees may receive.

(4) Date of Payment. Incentive Compensation shall be awarded as a lump sum payment, generally in the first half of the calendar year following the calendar year for which performance is measured.

Adopted: October 11, 2018

RENSELAER COUNTY CAPITAL RESOURCE CORPORATION

INVESTMENT POLICY AND GUIDELINES

SECTION 1. PURPOSE AND AUTHORITY

(A) Corporation Funds. The purpose of this Deposit and Investment Policy (the "Policy") is to comply with Section 2925 of the New York State Public Authorities Law (the "Public Authorities Law"), which requires the Rensselaer County Capital Resource Corporation (the "Corporation") to establish a policy and guidelines for the investment of funds for the use and account of the Corporation ("Corporation Funds").

(B) Non-Corporation Funds. The provisions of this Policy shall not apply to funds derived from the sale of bonds, notes or other obligations issued to fund a particular project for the benefit of a particular applicant, or any other funds held by the Corporation that are not Corporation funds.

SECTION 2. DEPOSITS OF CORPORATION FUNDS

(A) Designation of Depositories. The Corporation shall by resolution or resolutions of the directors of the Corporation designate one or more banks or trust companies (each, a "Depository") for the deposit of Corporation Funds received by the treasurer or any other officer of the Corporation authorized by law or the by-laws of the Corporation to make deposits. Any such Depository shall be one which is located in New York State with preference given to banks that maintain either its home office or a branch office in Rensselaer County. Such resolution or resolutions shall specify the maximum amount that may be kept on deposit at any time in each Depository and any other conditions or terms of deposit. Such designations and amounts may be changed at any time by a further resolution of the directors of the Corporation.

(B) Security. All Corporation Funds in excess of the amount insured under the provisions of the Federal Deposit Insurance Act as now or hereinafter amended shall be secured in accordance with the provisions of Section 10(3) of the General Municipal Law. Generally, Section 10(3) of the General Municipal Law provides that Corporation Funds may be secured by (1) a pledge of "eligible securities" (as defined in Section 10(1) of the General Municipal Law), together with a security agreement and custodial agreement meeting the requirements of Section 10(3)(a) of the General Municipal Law, or (2) an "eligible surety bond" or an "eligible letter of credit" (as such quoted terms are defined in Section 10(1) of the General Municipal Law) securing 100% of such Corporation Funds.

SECTION 3. INVESTMENTS OF CORPORATION FUNDS

(A) Investment Policy. It is the general policy of the Corporation that Corporation Funds not required for immediate expenditure shall be invested as described in subsection (C) below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own

affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

(B) Designation of Investment Officers. The treasurer and any other officer or employee of the Corporation so authorized by the by-laws of the Corporation or by resolution of the directors of the Corporation (each, an "Investment Officer") are authorized to temporarily invest Corporation Funds not required for immediate expenditure. Any designation of an Investment Officer made by resolutions of the directors of the Corporation may be changed at any time by a further resolution of the directors of the Corporation.

(C) Types of Investments. Except as otherwise provided by resolution of the directors of the Corporation, an Investment Officer may invest Corporation Funds in any of the following types of investments:

- (1) special time deposits in, or certificates of deposit issued by, any bank or trust company located and authorized to do business in the State of New York, provided that such deposit account or certificate of deposit is secured in the same manner as is provided for securing deposits of Corporation Funds by Section 10(3) of the General Municipal Law;
- (2) obligations of, or obligations where the payment of principal and interest are guaranteed by, the United States of America;
- (3) obligations of the State of New York; and
- (4) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any municipality or school district or district corporation organized under the laws of the State of New York.

(D) Custodians. The Corporation may, by resolution of the directors of the Corporation, authorize the Investment Officers to turn over the physical safekeeping and evidences of the investments made pursuant to subsection (C) of this Section ("Corporation Investments") to any entity authorized pursuant to Section 11(4) of the General Municipal Law to act as a custodian of Corporation Investments, but only upon compliance with the requirements of Section 11(4) of the General Municipal Law. Generally, Section 11(4) of the General Municipal Law allows the following types of entities to act as custodians of Corporation Investments:

- (1) any bank or trust company incorporated in the State of New York;
- (2) any national bank located in the State of New York; and
- (3) any private banker duly authorized by the New York State Superintendent of Banks to engage in business in New York State which maintains a permanent capital of not less than one million dollars in New York State.

(E) Commingling. Any Corporation Funds invested pursuant to this Section may be commingled for investment purposes upon compliance with the requirements of Section 11(6) of the General Municipal Law. Generally, Section 11(6) of the General Municipal Law allows commingling of Corporation Investments so long as (1) such investment is payable or

redeemable at the option of the Corporation within such time as the proceeds are needed by the Corporation, (2) the separate identity of such funds are maintained at all times, and (3) income received on such commingled monies is credited on a pro rata basis to the fund or account from which the monies were invested.

(F) Proper Records. The treasurer of the Corporation shall maintain (or cause the Investment Officers to maintain) a proper record of all books, notes, securities or other evidences of indebtedness held by or for the Corporation for purposes of investment. Such record shall at least (where applicable) (1) identify the security, (2) the fund for which held, (3) the place where kept, (4) the date of sale or other disposition, and (5) the amount received from such sale or other disposition.

SECTION 4. INTERNAL CONTROLS

(A) Periodic Reviews. To the maximum extent possible, the Executive Director of the Corporation or his designee shall prepare and submit to the directors of the Corporation at each regular meeting of the Corporation (but not more often than monthly), a summary showing the amount of Corporation Funds on deposit in each Depository and the general nature of the investment of such Corporation Funds.

(B) Annual Report. Within sixty (60) days of the end of each fiscal year, the Executive Director of the Corporation or his designee shall prepare and submit to the directors of the Corporation an annual investment report (the "Annual Investment Report") showing the deposits and investments of Corporation Funds as of the beginning of such fiscal year, a summary of the changes in such amounts during such fiscal year, a summary of the earnings thereon during such fiscal year, and the balance thereof as of the end of such fiscal year.

(C) Annual Audit. The Annual Investment Report shall be audited by the Corporation's independent certified public accountant as part of the Corporation's annual independent audit required pursuant to Section 2802 of the Public Authorities Law.

(D) Annual Review. The directors of the Corporation shall review the Annual Investment Report and the annual independent audit and this Part, and shall make any amendments to this Part necessary to achieve the purposes of this Part.

Adopted: October 11, 2018