

City of Albany Capital Resource Corporation

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
Fax: (518) 434-9846

Tracy Metzger, *Chair*
Susan Pedo, *Vice Chair*
Darius Shahinfar, *Treasurer*
C. Anthony Owens, *Secretary*
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*
Mark Opalka, *Chief Financial Officer*
William Kelly, *Agency Counsel*

To: Tracy Metzger
Darius Shahinfar
Susan Pedo
Anthony Owens
Lee Eck
Robert Schofield
Dominick Calsolaro

Sarah Reginelli
Mark Opalka
William Kelly
Joe Scott
Joe Landy
Andy Corcione
Chantel Burnash

Date: October 13, 2017

CRC REGULAR MEETING AGENDA

A Regular Board Meeting of the City of Albany Capital Resource Corporation Board will be held on **Thursday, October 19th, 2017 at 5:30 PM or immediately following the meeting of the City of Albany IDA** at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).

Roll Call

Reading of Minutes of the Regular Board Meeting of September 21, 2017

Approval of Minutes of the Regular Board Meeting of September 21, 2017

Report of Chief Financial Officer

A. Financial Report

Unfinished Business

- A. Albany Medical Center 2006 & 2007 Bond Refinance
- Project Synopsis
 - SEQR Resolution
 - Bond Resolution
- B. Albany Medical Center Hospital 2005, 2006 & 2007 Bond Refinance
- Project Synopsis
 - SEQR Resolution
 - Bond Resolution

New Business

- A. 2018 CRC Budget
- 2018 CRC Budget Approval Resolution
- B. CRC Audit Engagement Letter
- Approval Resolution Selection of Accountants – FY 2017 Audit

Other Business

- A. Corporation Update

Adjournment

The next regularly scheduled Board Meeting will be held on Thursday, November 16, 2017 at 21 Lodge Street, Albany, NY. Please check the website www.albanyida.com for updated meeting information.

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CRC MINUTES OF THE REGULAR BOARD MEETING Thursday, September 21, 2017

Attending: Tracy Metzger, Darius Shahinfar, Susan Pedo, Robert Schofield, C. Anthony Owens, and Dominick Calsolaro

Absent: Lee Eck

Also Present: Joseph Scott, Bill Kelly, Sarah Reginelli, Mark Opalka, Joe Landy, Andy Corcione, Mike Bohne, Ashley Mohl and Chantel Burnash

Chair Tracy Metzger called the regular meeting of the CRC to order at 5:30 PM.

Roll Call

Chair Tracy Metzger reported that all Board members were present, with the exception of Lee Eck and Robert Schofield. Robert Schofield arrived after the vote for the approval of minutes.

Reading of Minutes of the Regular Meeting of April 20, 2017

Since the minutes of the previous meeting had been distributed to Board members in advance for review, Chair Tracy Metzger made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the Regular Meeting of April 20, 2017

Chair Tracy Metzger made a proposal to approve the minutes of the regular Board meeting of April 20, 2017 as presented. A motion to accept the minutes, as presented, was made by C. Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the minutes were accepted unanimously.

Report of Chief Financial Officer

Mark Opalka reviewed the monthly financial report with the Board.

Unfinished Business

None.

New Business

Albany Medical Center 2006 & 2007 Bond Refinance – Preliminary Inducement Resolution

Chair Tracy Metzger presented the Albany Medical Center 2017 Refunding Project – Preliminary Inducement Resolution to the Board. A motion to adopt the resolution was made by C. Anthony Owens and seconded by Susan Pedo. A vote being taken, the resolution passed unanimously.

Albany Medical Center Hospital 2005, 2006, 2007 Bond Refinance – Preliminary Inducement Resolution

Chair Tracy Metzger presented the Albany Medical Center Hospital 2017 Refunding Project – Preliminary Inducement Resolution to the Board. A motion to adopt the resolution was made by C. Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously.

Grant Program Review

Staff gave an update on the Amplify Albany and Downtown Retail Grant Programs. Staff informed the Board that many of these projects would not go forward without the assistance of these programs.

Staff will propose edits for the program guidelines to the Board to strengthen the programs in the future.

Broadband Feasibility Study

Staff briefly discussed the Broadband Feasibility Study which was released and distributed to the Board. The goals of the initiative are the enhancement of the competitiveness of Albany with increased speed and accessibility, and increased broadband outreach to all communities. There will be further discussion about the study at the next Board meeting.

Other Business

Corporation Update

Staff reminded the Board that the annual IDA/CRC overview presentation to the Common Council's Planning, Economic Development and Land Use Committee will be held on Wednesday, September 27th at 6pm at City Hall, Room 209. All Board members are encouraged to attend.

The Board noted that there were no members of the public present and the increased public attendance when the Board meetings occurred during the daytime.

There being no further business, Chair Tracy Metzger adjourned the meeting at 5:46 PM.

Respectfully submitted,

C. Anthony Owens, Secretary

City of Albany CRC
2017 Monthly Cash Position
September 2017

	<i>Actual</i>									<i>Projected</i>			<i>YTD Total</i>
	January	February	March	April	May	June	July	August	September	October	November	December	
Beginning Balance	\$ 590,054	\$ 340,242	\$ 338,870	\$ 340,512	\$ 337,639	\$ 337,790	\$ 368,591	\$ 368,744	\$ 368,898	\$ 372,043	\$ 372,198	\$ 372,353	\$ 590,054
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 4,500
Agency Fee	-	-	-	-	-	30,675	-	-	-	-	-	-	30,675
Administrative Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Modification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Fee Revenue	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ 30,675	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 35,175
Other Revenue													
Interest Income	\$ 188	\$ 128	\$ 142	\$ 128	\$ 150	\$ 137	\$ 152	\$ 154	\$ 145	\$ 155	\$ 155	\$ 155	1,789
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 188	\$ 128	\$ 142	\$ 128	\$ 150	\$ 137	\$ 152	\$ 154	\$ 145	\$ 155	\$ 155	\$ 155	\$ 1,789
Total - Revenue	\$ 188	\$ 128	\$ 1,642	\$ 128	\$ 150	\$ 30,812	\$ 152	\$ 154	\$ 3,145	\$ 155	\$ 155	\$ 155	\$ 36,964
Expenditures													
Audits	-	1,500	-	3,000	-	-	-	-	-	-	-	-	4,500
Transit Enhancement Program	-	-	-	-	-	-	-	-	-	-	-	55,000	55,000
Strategic Activities	250,000	-	-	-	-	-	-	-	-	-	-	-	250,000
IDA	-	-	-	-	-	-	-	-	-	-	-	14,466	14,466
D & O Insurance	-	-	-	-	-	-	-	-	-	-	-	1,700	1,700
Misc.	-	-	-	-	-	10	-	-	-	-	-	2,239	2,249
Total - Expenditures	\$ 250,000	\$ 1,500	\$ -	\$ 3,000	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,405	\$ 327,915
Ending Balance	\$ 340,242	\$ 338,870	\$ 340,512	\$ 337,639	\$ 337,790	\$ 368,591	\$ 368,744	\$ 368,898	\$ 372,043	\$ 372,198	\$ 372,353	\$ 299,103	\$ 299,103

City of Albany CRC

Fee Detail by Month

September 2017

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	-	-	-	-	-
<i>February</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	-	-	-	-	-
<i>March</i>	Albany Law School	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	TOTAL	1,500	-	-	-	1,500
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	-	-	-	-	-
<i>May</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	-	-	-	-	-
<i>June</i>	Albany Law School	\$ -	\$ 30,675	\$ -	\$ -	\$ 30,675
	TOTAL	-	30,675	-	-	30,675

City of Albany CRC

Fee Detail by Month

September 2017

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>August</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>September</i>	Albany Medical Center	\$ 3,000	-	\$ -	\$ -	\$ 3,000
	TOTAL	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
<i>October</i>		\$ -	-	\$ -	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
2017 TOTAL		\$ 4,500 <i>Application Fee</i>	\$ 30,675 <i>Agency Fee</i>	\$ - <i>Administration Fee</i>	\$ - <i>Modification Fee</i>	\$ 35,175 <i>TOTAL FEE</i>

**PROJECT SYNOPSIS
ALBANY MEDICAL CENTER 2017 REFUNDING PROJECT**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION
REVENUE REFUNDING BONDS
(ALBANY MEDICAL CENTER PROJECT), SERIES 2017
IN THE AGGREGATE PRINCIPAL AMOUNT OF \$_____**

I. PROJECT IDENTIFICATION:

1. **Project Applicant:** Albany Medical Center, a New York not-for-profit corporation (the “Institution”). The Application was filed with City of Albany Capital Resource Corporation (the “Issuer”) in September, 2017.

2. **The Project:** The Application requested the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$4,800,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$4,470,000 (the “Series 2006B Bonds”) and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”); and

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$3,020,000 (the “Series 2007A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$535,000 (the “Series 2007B Bonds”) and collectively with the Series 2007A Bonds, the “Series 2007 Bonds”) (the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds), which Prior Bonds provided financing for previously completed capital projects located at 23, 31 and 35 Hackett Boulevard, 628 Madison and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative and office facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to equal \$12,590,000 and in any event not to exceed \$17,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer.

II. PRIOR ACTION ON PROJECT:

3. Inducement Proceedings:

- (A) Preliminary Inducement Resolution: adopted on September 21, 2017.
- (B) Public Hearing:
 - (1) Date Notices Published: September 26, 2017, in the Times Union.
 - (2) Date Notices Mailed to Affected Tax Jurisdictions: September 25, 2017.
 - (3) Bond Amount Advertised: estimated to be an amount not to exceed \$17,500,000.
 - (4) Date of Public Hearings: October 10, 2017 and October 11, 2017.
 - (5) Place of Public Hearings: 21 Lodge Street in the City of Albany, Albany County, New York.
- (C) Preliminary Inducement Resolution: authorized bonds in an amount not to exceed \$17,500,000.

III. PROPOSED CURRENT ACTION AND ISSUER ACTION FOR OCTOBER 19, 2017 MEETING:

- 4. SEQR Resolution:** To be considered on October 19, 2017.
- 5. Bond Resolution:** To be considered on October 19, 2017.
- 6. Public Approval:** Approval by the Mayor of the City of Albany is expected in October, 2017.

IV. DETAILS OF PROPOSED BOND TRANSACTION:

7. Business Terms:

- (A) Financing structure: The Series 2017 Bonds will be repaid through payments received by the Issuer under a loan agreement (the “Loan Agreement”) by and between the Issuer and the Institution.
- (B) Issuer benefits provided: The issuance of tax-exempt bonds.
- (C) Issuer fee: Administrative fee equal to .25% of actual bond amount (e.g., if bond amount is \$12,590,000, then administrative fee is equal to \$31,475).

8. Details of Bond Issue:

- (A) Amount of proposed Bond Issue: an amount presently estimated to not exceed \$17,500,000; in multiple series, and with some series being tax-exempt and some series being taxable, the actual principal amount and number of series to be determined by the Chair or Vice Chair of the Issuer once the negotiating and structuring of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds. The Series 2017 Bonds will be issued pursuant to certain bond purchase and disbursing agreements, each dated as of November 1, 2017 (collectively, the “Bond Purchase Agreement”) by and among the Issuer, the Institution, Bank of America, N.A., as disbursing agent (the “Disbursing Agent”) and Bank of America Public Capital Corp. and Bank of America, N.A., each as initial purchasers of the Series 2017 Bonds (collectively, the “Holder”).
- (B) Bond Purchaser: The Series 2017 Bonds will be purchased by the Holder.
- (C) Will the Series 2017 Bonds be Remarketed? No.
- (D) Interest Rates, Maturity Dates and Interest Payment Dates: see attached term sheet and also to be determined by the Chair or Vice Chair of the Issuer once the marketing of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds.
- (E) Redemptions: see attached term sheet and also to be determined by the Chair or Vice Chair of the Issuer once the marketing of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds.

9. Security for the Series 2017 Bonds:

- (A) A pledge and assignment dated as of November 1, 2017 (the “Pledge and Assignment”) from the Issuer to the Holder, pursuant to which the Issuer has assigned to the Holder its rights under the Loan Agreement (except the Unassigned Rights, as defined therein).
- (B) Such other agreements as required by the Holder.

10. Bond Documents:

- (A) Bond Purchase Agreement by and among the Issuer, the Institution, the Disbursing Agent and the Holder.
- (B) Loan Agreement by and between the Issuer and the Institution.
- (C) Pledge and Assignment of the Loan Agreement from the Issuer to the Holder.

11. Proposed Pre-Closing and Closing Dates: November 14, 2017; funding November 15, 2017.

12. Bond Counsel: Hodgson Russ LLP, Albany, New York

TERM SHEETS



SUMMARY OF TERMS AND CONDITIONS

Submission Date July 12, 2017

Updated July 26, 2017

Updated August 24, 2017

Borrower: Albany Medical Center (“AMC”)

Unlimited Guaranty: Albany Medical Center Hospital (“AMCH”)

Authority: City of Albany Capital Resource Corporation

Purchaser: Banc of America Public Capital Corp (“BAPCC” or the “Purchaser”).

Facility: Direct Purchase Index Floating Rate Bond (the “Facility” or “Bond”) new Series 2017C held by the Purchaser. The Facility shall be issued as a single, physical term Bond registered to BAPCC and delivered to BAPCC at closing. The Bond held by Purchaser will not be designed or intended to be traded in a public market, will not carry a public rating, will not be held at DTC, and will not have a CUSIP number assigned to it. The Bond will not be issued in a multi modal format. The bond purchased by BAPCC will be held in an Index Floating Rate mode.

Facility Amount: Up to \$1,855,000

Use of Proceeds: Proceeds of the Facility shall be used to refinance the AMC Series 2007A bonds.

Security: Bond will be secured by a gross revenue pledge of Albany Medical College on parity with all senior debt obligations with Bank of America Merrill Lynch and a negative pledge agreement consistent with existing loan agreements documented with Bank of America, N.A. to include, but not be limited to a negative pledge of the assets of Albany Medical Center, Albany Medical Center Hospital and Albany Medical College.

Mandatory Tender Date: 10 years from the date of loan closing.

On the Mandatory Tender Date, the Bond shall be subject to mandatory purchase by the Borrower at a price equal to the outstanding principal amount of the Bond plus all accrued interest, unless prior to such date the Purchaser, in its sole discretion, has notified the Borrower that the Purchaser will allow the Bond to be remarketed to the Purchaser. The terms of any such remarketing to the Purchaser will be determined by mutual agreement after such analysis and due diligence as the Purchaser may require.

Bond Amortization: The Bond will amortize as outlined in Exhibit A attached hereto, substantially similar to the schedule outlined in the RFP dated June 20, 2017

Interest Rates: The Facility shall bear interest at a tax-exempt rate equal to the sum of (i) 70% of the one month LIBOR Rate plus (ii) the Applicable Margin (the “Index Floating Rate”). Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year. The Index Floating Rate will be adjusted on the first business day of each month (the “Rate Reset Date”) and remain fixed until the first business day of the next month. All interest payments shall be made monthly on the first business day of the month.



Mandatory Tender	Applicable Margin
10 years	90bps

“LIBOR Rate” shall mean a fluctuating rate of interest per annum equal to the London Interbank Offered Rate (or a comparable or successor rate which is approved by the Purchaser), as published by Bloomberg (or other commercially available source providing quotations of such rate as selected by the Purchaser from time to time), as determined for each Rate Reset Date at approximately 11:00 a.m. London time two (2) London Banking Days prior to each Rate Reset Date, for U.S. Dollar deposits (for delivery on the first day of such interest period) with a one month term, as adjusted from time to time in Purchaser’s sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by Purchaser. If the LIBOR Rate as determined above is ever less than zero, then for purposes of the Bond the LIBOR Rate shall be deemed to be zero. A “London Banking Day” is a day on which banks in London are open for business and dealing in offshore dollars.


The pricing quoted herein assumes interest on the Facility is excludable from gross income of the Purchaser under Section 103 of the Internal Revenue Code of 1986, as amended. In the event a determination of taxability shall occur, in addition to the amounts required to be paid with respect to the Bond under the financing documents, the Borrower shall be obligated to pay to the Purchaser:

- (1) an amount equal to the positive difference, if any, between (i) the amount of interest that would have been paid during the period of taxability if the Bonds had borne interest at the taxable rate (i.e., the product of the otherwise applicable rate and 1.54) and (ii) the interest actually paid to the Purchaser as the owner of the Bonds; and
- (2) an amount equal to any interest, penalties or charges owed by the Purchaser as a result of interest on the Bonds becoming includable in the gross income of the Purchaser (taxability determination), together with any and all attorneys’ fees, court costs, or other out-of-pocket costs incurred by the Purchaser in connection therewith.

Margin Rate Factor: The Index Floating Rate will be subject to adjustment by a Margin Rate Factor. The Margin Rate Factor means the greater of (i) 1.0 and (ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) 1.54. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. The Maximum Federal Corporate Tax Rate is currently 35% such that the current Margin Rate Factor equals 1.0.

Default rate: In the event of any default under the Facility, the Index Floating Rate then in effect on all outstanding principal shall increase, at the Purchaser’s option, without notice to the Borrower by an additional 3.00% per annum.

Optional Redemption: The Borrower, upon ten business day’s written notice, may prepay the Facility, in whole or in part, plus accrued interest to the day of prepayment, without penalty on each Rate Reset Date (herein after defined). Any prepayment on a day other than a Rate Reset Date would be subject to the Purchaser’s standard break-funding



provision. Partial prepayments shall be applied to the most remote payment of principal due under the Bonds.

BAPCC's Counsel: Estimated legal fees at \$40,000 plus disbursements/out of pocket expenses inclusive of all Series 2017 bonds as presented in the RFP. The fee estimate is subject to change in the event the Purchaser and Bank of America, NA are not awarded the entire financing requested.

Borrower Responsible For all fees and Expenses:

The Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration, and closing of all documentation, including, without limitation; environmental assessment fees (if required), the legal fees of counsel to BAPCC, regardless of whether or not the transaction contemplated hereby is closed. The Borrower will also pay the expenses of BAPCC in connection with the enforcement of any loan documentation.

COST AND YIELD PROTECTION; TAXES:

Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with repayments, changes in capital adequacy and capital requirements or their interpretation (including implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Basel III) and payments free and clear of withholding or other taxes.

If a change in laws, rules, guidelines, or regulations (or their interpretation, implementation or administration) shall occur or be implemented and shall increase the cost to the Purchaser, its parent company's or participant's (if any) of issuing or maintaining the Facility or decrease the return on the Purchaser's, its parent company's or any of its participants' capital, or on the capital of the holding company of any participant, the Purchaser may increase the interest rate by such amount as is necessary to compensate it, its parent companies or such participant for such increased costs or decreased return.

Covenants:

Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements, forecasts, regulatory filings, compliance certificates and other information; (ii) notices of default, material litigation, material governmental proceedings or investigations, ERISA and environmental proceedings and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; (v) maintenance of properties and insurance; (vi) compliance with laws; (vii) maintenance of books and records; (viii) inspection rights; (ix) use of proceeds; (x) more restrictive financial covenants in other existing or future credit facilities deemed incorporated in the Facility; (xi) limitations on (A) liens, investments (including loans and advances), and indebtedness, (B) mergers and other fundamental changes, (C) sales and other dispositions of property or assets, (D) changes in the nature of business, (E) transactions with affiliates; (F) burdensome agreements; (xii) with respect to future swap obligations, restrictions on collateralization and required subordination of swap termination payments; (xiii) incorporation of covenants in related documents by reference. More restrictive covenants contained in other credit agreements incorporated by reference into the Facility will be in effect only for so long as the other credit agreements containing such more restrictive covenants are in effect.



Financial Covenants: Financial covenants shall include, but will not be limited to, the following:

- Minimum 1.40x Debt Service Coverage ratio (DSC) on combined Borrower, Guarantor and Albany Medical College, measured quarterly on a rolling 4-quarter basis.
- Minimum 30 Days Cash on Hand (DCOH), on combined Borrower, Guarantor and Albany Medical College, The calculation shall be measured semi-annually at the end of the second and fourth fiscal quarters.

Reporting Requirements:

The Borrower and the Guarantor shall provide financial information and statements in a form and content acceptable to the Purchaser including, but not limited to, the following:

- Annual CPA audited consolidated and consolidating financial statements due within 150 days of the fiscal year-end.
- Quarterly internally prepared financial statements, including year-to-date variance to budget due within 60 days of each fiscal quarter to include operating statistics.
- Each financial statement shall be accompanied by a covenant compliance certificate prepared by an authorized officer of the Borrower that includes computation of all financial covenants to be tested as of such date.
- Annual operating budget within 30 days after the commencement of the Fiscal Year to which it relates.
- Other items as may be reasonably requested from time to time.

Events of Default:

Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the loan documentation; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) cross-default to other indebtedness; (v) actual or asserted invalidity or impairment of any loan documentation

Conditions Precedent to Closing:

The closing and BAPCC's purchase of the Bond shall be subject to satisfaction of the conditions precedent deemed appropriate by BAPCC including, but not limited to: The negotiation, execution and delivery of definitive documentation including, without limitation; (i) satisfactory legal opinions regarding tax-exempt status of Bond and covering authority, validity, binding effect, and enforceability of the documents and (ii) other customary closing documents for the Bond satisfactory to BAPCC; (iii) there shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a material adverse change as determined in the sole discretion of BAPCC.

Any Facility secured by real estate will be subject to applicable flood insurance regulations at origination and at all times during the life of such Facility. Compliance with flood insurance regulations will be required as a condition to closing and flood compliance will be tested prior to making, increasing, renewing or extending any such Facility. Prior to any mortgage being granted to the Purchaser, satisfactory due diligence will be required regarding flood determination and environmental matters. The Purchaser will be given sufficient time to complete such matters and, in any event, no less than 60 days. It will be in the Purchaser's sole discretion to accept any mortgage from the Borrower.



Waivers and Amendments:

Amendments and waivers of the provisions of the Facility and other definitive credit documentation will require the approval of BAPCC.

Bond Documentation: The Bond will be purchased by the Purchaser in accordance with and subject to the provisions of a Continuing Covenants Agreement "CCA" between the Purchaser and the Borrower or a Tri-party Agreement "TPA" among the Purchaser, the Borrower and the Authority of the Bond. The Bond, any Bond Indenture, any Bond Loan Agreement, any Master Trust Indenture, any Supplemental Master Indenture, any MTI Obligation, and the TPA/CCA, as executed and delivered in connection with the Bond, are herein collectively referred to as the "Bond Documentation". The Bond Documentation will include, but not be limited to, the terms and conditions outlined herein as well as provisions that are customary and standard for this type of financing with respect to conditions precedent, representations and warranties, covenants, events of default and remedies.

Governing Law: This Proposed Term Sheet, the Facility and any other documents to which the Purchaser shall become a party will be governed by the laws of the State of New York.


Transfers: While the Purchaser is purchasing the Bond for its own account without a current intent to transfer them, the Purchaser reserves the right in its sole discretion to assign, sell, pledge or participate interests in the Bond without the consent of the Borrower; provided however that such transfer shall not take place for at least 60 days from the date of closing.

Contacts:

BAPCC: Frank Vrabel SVP, Senior Credit Products Officer 401 E Las Olas Blvd Fort Lauderdale, Florida 33301 Telephone: (954) 765-2216 Email: frank.vrabel@baml.com	BAPCC Counsel: Harris Beach, PLLC Hal Patrick 677 Broadway, Suite 1101 Albany, NY 12207 Telephone: (518) 427-9700 Email: hpatrick@harrisbeach.com
BANA: Jared Smith SVP, Senior Credit Products Officer 10 Fountain Plaza, 9 th Floor Buffalo, NY 14202 Telephone: (716) 847-4433 Email: jared.a.smith@baml.com	BANA: Jeffrey Castillo VP, Senior Client Manager One Bryant Park New York, NY 10036 Telephone: (646) 743-0888 Email: jeffrey.castillo@baml.com

Proposed Terms and Conditions Subject to Certain Events:

This Summary of Terms and Conditions is intended only as an outline of certain material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. This Summary of Terms and Conditions is not a commitment. It represents a willingness on the part of the Purchaser to seek approval to provide the Facility Amount indicated herein and to consummate a



transaction based upon the terms and conditions outlined in this Summary of Terms and Conditions and is subject to:

- Final credit approval (see "Credit Process Timeframe" below);
- Absence of any material adverse change in the financial condition, operations or prospects of the Borrower or the Guarantor (if any), or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of Purchaser;
- Such additional due diligence as Purchaser may require; and
- Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

Credit Process Timeline:

The credit process will take approximately 14 business days from the point at which Purchaser is officially awarded the transaction and has in its possession all materials necessary to undertake a full credit analysis.

Expiration of Terms and Conditions:

Unless rescinded earlier, consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire 30 days from the date hereof.

Future Modifications: The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Summary of Terms and Conditions and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was [described herein or initially described in the RFP or in conjunction therewith], or (iv) the proposed financing does not close within 90 days.

Confidentiality:

This Summary of Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Summary of Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.

No Advisory or Fiduciary Role:

This proposal is submitted in response to your Request for Proposal dated June 20, 2017. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the "bank" exemption and the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of Section 15B of the Securities Exchange Act of 1934 and the Rules. In connection with this proposal and the transactions described herein, we are not acting as a financial advisor or municipal advisor to you or any other person, and are not subject to any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors in connection with your evaluation of this proposal and the transactions described herein.



EXHIBIT A

Amortization		2017C
	12/31/17	-
	12/31/18	150,000
	12/31/19	155,000
	12/31/20	165,000
	12/31/21	170,000
	12/31/22	180,000
	12/31/23	190,000
	12/31/24	195,000
	12/31/25	205,000
	12/31/26	215,000
	12/31/27	230,000

REFINANCE PROPOSAL

PROPOSAL FOR TAX-EXEMPT &
TAXABLE LOANS

ALBANY MEDICAL CENTER



**Proposal to Provide Tax-Exempt & Taxable Loans:
Albany Medical Center**

SUMMARY OF TERMS AND CONDITIONS

Submission date: July 12, 2017
Updated: July 26, 2017
Updated: August 24, 2017

BORROWER: Albany Medical Center

UNLIMITED GUARANTY: Albany Medical Center Hospital

ISSUING AUTHORITY: **City of Albany Capital Resource Corporation**

LENDER: **Bank of America, N.A.** ("BANA" or the "Bank").

FACILITY, AMOUNT AND MATURITY:

Tax-Exempt and Taxable Direct Purchase Loans (the "Facility") that is available in the amount and for the term set forth below. Amounts available under the Facility may be drawn on the effective date of the Facility (the "Closing Date").

Facility #1 will terminate and all amounts outstanding thereunder will be due and payable on the **10th anniversary** of the Closing Date.

Facility #2 will terminate and all amounts outstanding thereunder will be due and payable on the **8th anniversary** of the Closing Date.

TOTAL FACILITY AMOUNT: Facility #1: Tax-Exempt Direct Purchase Term Loan Series 2017A Bonds of \$2,680,000

Facility #2: Taxable Direct Purchase Term Loan Series 2017B Bonds of \$8,285,000 plus swap terminations and incremental fees

USE OF PROCEEDS: Proceeds of Facility #1 shall be used to refinance the Borrower's Series 2006A tax-exempt bonds.

Proceeds of Facility #2 shall be used to refinance the Borrower's Series 2006B and 2007B taxable bonds.

OPTIONAL PREPAYMENTS AND COMMITMENT REDUCTIONS:

In the case of The Borrower may prepay the Facility in whole or in part at any time without premium or penalty, subject to reimbursement of BANA's breakage and redeployment costs in the case of prepayment of LIBOR borrowings.

UPFRONT FEE: None

SUMMARY OF TERMS AND CONDITIONS

PROPOSAL FOR A TAX-EXEMPT & TAXABLE LOANS

INTEREST RATES:

(a) Taxable Rate Options:

Variable Rate: Facility #2 will bear interest at a rate equal to LIBOR plus the **Applicable Margin of 140bp**. The Borrower may select interest periods of one, two, three or six months for LIBOR loans or, upon consent of BANA, such other period that is twelve months or less, subject to availability. Interest shall be payable at the end of the selected interest period, but in no event less frequently than quarterly.

The LIBOR Daily Floating Rate is a fluctuating rate of interest which can change on each banking day. The rate will be adjusted on each banking day to equal the London Interbank Offered Rate (or a comparable or successor rate which is approved by the Bank) for U.S. Dollar deposits for delivery on the date in question for a one month term beginning on that date. The Bank will use the London Interbank Offered Rate as published by Bloomberg (or other commercially available source providing quotations of such rate as selected by the Bank from time to time) as determined at approximately 11:00 a.m. London time two (2) London Banking Days prior to the date in question, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars. If at any time LIBOR is less than zero, such rate shall be deemed to be zero.

Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

(b) Tax-Exempt Rate Options:

Fixed Rate: An indicative rate as of August 23, 2017 of **2.75%**, prepayment is subject to the Bank's make-whole provisions. The final rate shall be determined prior to closing at a time mutually acceptable to Borrower and the Bank.

Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

The pricing quoted above assumes interest on the Facility is excludable from gross income of the Bank under Section 103 of the Internal Revenue Code of 1986, as amended. In the event a determination of taxability shall occur, in addition to the amounts required to be paid with respect to the Facility under the financing documents, the Borrower shall be obligated to pay to the Bank:

- (1) an amount equal to the positive difference, if any, between (I) the amount of interest that would have been paid during the period of taxability if the Facility had borne interest at a taxable rate (i.e., the sum of (i) LIBOR plus (ii) the product of the Applicable Margin and 1.54) and (II) the interest actually paid to the Bank under the Facility; and
- (2) an amount equal to any interest, penalties or charges owed by the Bank as a result of interest on the Facility becoming includable in the gross income of the Bank, together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by the Bank in connection therewith.

(e) Scheduled Amortization:

The Facility's will amortize as outlined in Exhibit A attached hereto, substantially similar to the schedule outlined in the RFP dated June 20, 2017.

SUMMARY OF TERMS AND CONDITIONS

(d) Default Rate: Upon the occurrence and during the continuance of any default under the Facility, the applicable rate on any outstanding amounts under the Facility shall increase by 3% per annum.

OTHER FEES AND EXPENSES:

(a) Lender's Counsel: Estimated legal fees at \$40,000 plus disbursements/out of pocket expenses inclusive of all Series 2017 bonds as presented in the RFP. The fee estimate is subject to change in the event the Lender and Banc of America Public Capital Corp are not awarded the entire financing requested.

(b) Administrative Fees: Amendments, transfers, standard waivers or consents: \$2,500 plus attorney's fees and expenses.

PAYMENT OF FEES AND EXPENSES:

(a) Timing / Computation of Payments: All fees are non-refundable. Any Upfront Fee, BANA's Counsel's fees and expenses and BANA's Out-of-Pocket Expenses are payable at closing in immediately available funds.

All other calculations of interest and fees shall be made on the basis of the actual number of days elapsed in a 360 day year.

(b) Fees and Expenses Valid for 90 Days: All fees and expenses, including those of BANA's Counsel, are subject to increase if the transaction is not closed within 90 days from the date BANA receives the mandate from the Borrower. In addition, the fees and expenses payable to BANA's Counsel may be increased if the security and/or structure of the transaction changes materially once documentation has commenced.

(c) Borrower Responsible For All Fees and Expenses: The Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration, and closing of all loan documentation including, without limitation, the legal fees of counsel to the BANA, regardless of whether or not the Facility is closed. The Borrower will also pay the expenses of BANA in connection with the enforcement of any loan documentation.

COST AND YIELD PROTECTION; TAXES:

Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with prepayments, changes in capital adequacy and capital requirements or their interpretation, illegality, unavailability, reserves without proration or offset and payments free and clear of withholding or other taxes.

CLAWBACK: The Facility will include customary interest rate recapture ("clawback") language allowing the BANA to recover interest in excess of any maximum interest rate imposed by law.

CONDITIONS PRECEDENT TO CLOSING:

The closing and the initial extension of credit under the Facility will be subject to satisfaction of the conditions precedent deemed appropriate by BANA including, but not limited to:

SUMMARY OF TERMS AND CONDITIONS

- The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Facility satisfactory to BANA.
- There shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect. "Material Adverse Effect" means (A) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Borrower and any Guarantor and any of their respective subsidiaries, taken as a whole; (B) a material impairment of the rights and remedies of BANA under any loan documentation, or of the ability of the Borrower or any Guarantor to perform its obligations under any loan documentation to which it is a party; or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or any Guarantor of any loan documentation to which it is a party, in each case as determined in the sole discretion of BANA.
- Receipt of satisfactory financial information, budgets, projections, etc. as requested by the BANA.
- Receipt and review of the Borrower's investment policy, guidelines and permitted investments, which must be satisfactory to BANA.
- Certified copies of relevant ordinances, resolutions, agreements, contracts, certificates, etc.
- Bring down of representations and warranties, receipt of statement as to compliance with covenants and of no Event of Default and any other event that, with the passage of time, the giving of notice, or both, would result in an Event of Default.
- Other conditions precedent as are customary for a financing of the type contemplated, including payment of fees at closing.
- Receipt of Legal Opinion covering authority, validity, binding effect and enforceability of the documents.

CONDITIONS PRECEDENT TO ALL EXTENSIONS OF CREDIT:

Usual and customary for transactions of this type including, without limitation, the following:

- All of the representations and warranties in the loan documentation shall be true and correct as of the date of such extension of credit
- No event of default under the Facility or inchoate default shall have occurred and be continuing, or would result from such extension of credit

REPRESENTATIONS AND WARRANTIES:

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and

SUMMARY OF TERMS AND CONDITIONS

completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; (vi) no material litigation; (vii) no default; (viii) ownership of property; (ix) insurance matters; (x) environmental matters; (xi) tax matters; (xii) ERISA compliance; (xiii) identification of subsidiaries, equity interests and loan parties; (xiv) use of proceeds and not engaging in business of purchasing/carrying margin stock; (xv) status under Investment Company Act; (xvi) accuracy of disclosure; (xvii) no sovereign immunity; (xviii) no sanctions violations; (xix) compliance with laws; (xx) bankruptcy and insolvency; and (xxi) no proposed legal changes which may adversely affect the Facility, the obligations of the Borrower thereunder or the transaction.

SECURITY: Facilities will be secured by a gross revenue pledge of Albany Medical College on parity with all senior debt obligations with Bank of America Merrill Lynch and a negative pledge agreement consistent with existing loan agreements documented with Bank of America, N.A. to include, but not be limited to a negative pledge of the assets of Albany Medical Center, Albany Medical Center Hospital and Albany Medical College.

COVENANTS: Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements, forecasts, regulatory filings, compliance certificates and other information, (ii) notices of default, material litigation, material governmental proceedings or investigations, ERISA and environmental proceedings and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; (v) maintenance of properties and insurance; (vi) compliance with laws; (vii) maintenance of books and records; (viii) inspection rights; (ix) use of proceeds; (x) more restrictive financial covenants in other existing or future credit facilities deemed incorporated in the Facility; (xi) limitations on (A) liens, investments (including loans and advances), and indebtedness [of subsidiaries], (B) mergers and other fundamental changes, (C) sales and other dispositions of property or assets, (D) dividends and other distributions, (E) changes in the nature of business, (F) transactions with affiliates, (G) burdensome agreements, (H) use of proceeds, and (I) capital expenditures; (xii) subordination of swap termination payments and restrictions on collateralization of swap obligations; and (xiii) waiver of sovereign immunity.

FINANCIAL COVENANTS: Financial covenants in form and content, consistent with current requirements under other credit agreements with Bank of America, NA, to include, but will not limited to, the following:

- Minimum 1.40x Debt Service Coverage ratio (DSC) on combined Borrower, Guarantor and Albany Medical College, measured quarterly on a rolling 4-quarter basis.
- Minimum 30 Days Cash on Hand (DCOH), on combined Borrower, Guarantor and Albany Medical College, This shall be measured semi-annually at the end of the second and fourth fiscal quarters.

REPORTING REQUIREMENTS: The Borrower and the Guarantor shall provide financial information and statements in form and content consistent with current requirements under other credit agreements with Bank of America, NA, to include, but not limited to, the following:

- Annual CPA audited consolidated and consolidating financial statements due within 150 days of the fiscal year-end.

SUMMARY OF TERMS AND CONDITIONS

- Quarterly internally prepared financial statements, including year-to-date variance to budget due within 60 days of each fiscal quarter to include operating statistics.
- Each financial statement shall be accompanied by a covenant compliance certificate prepared by an authorized officer of the Borrower that includes computation of all financial covenants to be tested as of such date.
- Annual operating budget within 30 days after the commencement of the Fiscal Year to which it relates.
- Other items as may be reasonably requested from time to time.

EVENTS OF DEFAULT: Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the loan documentation; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) cross-default to other indebtedness; (v) voluntary or involuntary bankruptcy, insolvency, debt moratorium, etc.; (vi) inability to pay debts; (vii) monetary judgment defaults in an amount to be agreed and material non-monetary judgment defaults; (viii) customary ERISA defaults; (ix) actual or asserted invalidity or impairment of any loan documentation.

ASSIGNMENT/PARTICIPATIONS:

Assignment and Participations: BANA will be permitted to assign this loan at any time at its sole discretion and is permitted to sell participations with voting rights limited to significant matters such as changes in amount, rate, maturity date and releases of all or substantially all of the value of any collateral or guaranty, without the consent of the Borrower.

WAIVERS AND AMENDMENTS:

CHOICE OF LAW / JURY TRIAL / VENUE:

Amendments and waivers of the provisions of the Facility and other definitive credit documentation will require the approval of BANA.

(a) Governing Law: This Proposed Term Sheet, the Facility's and any other documents to which the Bank shall become a party will be governed by the laws of the State of New York.

(b) Jury Trial: The Borrower agrees to waive a jury trial in any proceeding against BANA.

(c) Venue: Any disputes or legal actions arising out of the Facility shall be brought in the courts of New York, and each party, to the fullest extent permitted by law, shall consent to the jurisdiction of such courts.

INDEMNIFICATION: The Borrower will indemnify and hold harmless BANA and its respective affiliates and its partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Facility, the Borrower's use of loan proceeds or the commitment including, but not limited to, reasonable attorneys' fees (including the allocated cost of internal counsel) and settlement costs. This indemnification shall survive and continue for the benefit of all such persons or entities.

SUMMARY OF TERMS AND CONDITIONS

CONTACTS:

Bank of America, N. A. (BANA):

Name: Jared Smith	Jeffrey Castillo
Title: SVP, Senior Credit Products Officer	VP, Senior Client Manager
Address: 10 Fountain Plaza, 9 th Fl Buffalo, NY 14202	One Bryant Park New York, NY 10036
Telephone: (716) 847-4433	(646) 743-08888
Facsimile: (617) 310-2574	
email: jared.a.smith@baml.com	jeffrey.castillo@baml.com

Lender's Counsel: Harris Beach, PLLC

Name: Hal Patrick
 Address: 677 Broadway, Suite 1100
 Albany, NY 12207
 Telephone: (518) 427-9700
 Facsimile:
 email: hpatrick@harrisbeach.com

PROPOSED TERMS AND CONDITIONS SUBJECT TO CERTAIN EVENTS:

*This Summary of Terms is intended only as an outline of certain of the material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. **This Summary of Terms is not a commitment.** It represents a willingness on the part of BANA to seek approval to provide the commitment indicated herein and consummate a transaction based upon the terms and conditions outlined in this term sheet and is subject to:*

- Final credit approval (see "Credit Process Timeframe" below),
- Absence of any material adverse change in the financial condition, operations or prospects of the Borrower or the Guarantor, or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of BANA,
- Such additional due diligence as BANA may require, and
- Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

CREDIT PROCESS TIMEFRAME:

The credit process will take 14 business days from the point at which BANA is officially awarded the transaction and has in its possession all materials necessary to undertake a full credit analysis.

SUMMARY OF TERMS AND CONDITIONS

RESCISSION BY THE BANK:

BANA reserves the right to unilaterally rescind part or all of the proposed terms and conditions herein at any time prior to its acceptance, which can only be effected by signing and returning this document to BANA.

EXPIRATION OF TERMS AND CONDITIONS:

Unless rescinded earlier, consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire 30 days from the date hereof.

BANA reserves the right to terminate, reduce or otherwise amend its commitment if the subject transaction is not closed within 90 days of the receipt of a signed term sheet.

FUTURE MODIFICATIONS:

The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Summary of Preliminary Terms and Conditions and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was initially described in the RFP or in conjunction therewith, or (iv) the proposed financing does not close within 90 days of the receipt by BANA of a signed term sheet.

CONFIDENTIALITY:

This Summary of Preliminary Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Summary of Preliminary Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.

NO ADVISOR OR FIDUCIARY ROLE:

This proposal is submitted in response to your Request for Proposal dated June 20, 2017. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications and/or bank exemption under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of Section 15B of the Securities Exchange Act of 1934 and the Rules. In connection with this proposal and the transactions described herein, we are not acting as a financial advisor or municipal advisor to you or any other person, and are not subject to any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors in connection with your evaluation of this proposal and the transactions described herein.

SUMMARY OF TERMS AND CONDITIONS

EXHIBIT A

PROPOSAL FOR A TAX-EXEMPT & TAXABLE LOANS

Amortization	2017A	2017B
12/31/17	-	300,000
12/31/18	-	940,000
12/31/19	-	960,000
12/31/20	-	995,000
12/31/21	-	1,020,000
12/31/22	-	1,050,000
12/31/23	-	1,080,000
12/31/24	-	1,110,000
12/31/25	310,000	830,000
12/31/26	1,165,000	-
12/31/27	1,205,000	-

SEQR RESOLUTION
ALBANY MEDICAL CENTER 2017 REFUNDING PROJECT

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF ALBANY MEDICAL CENTER IS A “TYPE II ACTION” AND THAT NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Common Council of City of Albany, New York (the “City”) adopted a resolution

on March 15, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of City of Albany Capital Resource Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer; and

WHEREAS, in April, 2010, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Issuer as a public instrumentality of the City; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, in September, 2017, Albany Medical Center, a New York not-for-profit corporation (the “Institution”) has submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$4,800,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$4,470,000 (the “Series 2006B Bonds”) and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”); and

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$3,020,000 (the “Series 2007A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$535,000 (the “Series 2007B Bonds”) and collectively with the Series 2007A Bonds, the “Series 2007 Bonds”) (the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds),

which Prior Bonds provided financing for previously completed capital projects located at 23, 31 and 35 Hackett Boulevard, 628 Madison and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative and office facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount

presently estimated to equal \$12,590,000 and in any event not to exceed \$17,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the board of directors of the Issuer on September 21, 2017 (the “Inducement Resolution”), the Chief Executive Officer of the Issuer (A) caused notice of the public hearings of the Issuer (the “Public Hearings”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Incorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 26, 2017 in Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (B) caused notice of the Public Hearings to be posted on September 25, 2017 at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearings to be mailed on September 25, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (D) conducted the Public Hearings on October 10, 2017 at 5:30 o’clock p.m. local time and on October 11, 2017 at 12:00 noon, local time at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearings (the “Public Hearing Reports”) which fairly summarized the views presented at such Public Hearings and caused copies of said Public Hearing Reports to be made available to the members of the board of directors of the Issuer and to the Mayor of City of Albany, New York (the “Mayor”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Issuer must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the Application in order to make an determination as to the potential environmental significance of the Project; and

WHEREAS, the Project appears to constitute a “Type II action” (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Issuer has received copies of, and has reviewed, the Application submitted to the Issuer by the Institution with respect to the Project and other documents received by the Issuer (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Institution to the Issuer at this meeting, and based further upon the Issuer’s knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Project: The Project consists of the refinancing of existing debt.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Project:

(A) Pursuant to Section 617.5(c)(23) of the Regulations, the Project is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. The Chief Executive Officer of the Issuer is hereby directed to file a copy of this Resolution with respect to the Project in the office of the Issuer.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer, including the Resolution contained therein, held on October 19, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Board of Directors of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Board of Directors of the Issuer 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ____ day of October, 2017.

(Assistant) Secretary

(SEAL)

**BOND RESOLUTION
ALBANY MEDICAL CENTER 2017 REFUNDING PROJECT**

A regular meeting of City of Albany Capital Resource Corporation (the “Issuer”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY CITY OF ALBANY CAPITAL RESOURCE CORPORATION OF ITS REVENUE REFUNDING BONDS (ALBANY MEDICAL CENTER PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,500,000 AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Common Council of the City of Albany, New York (the “City”) adopted a resolution on

March 15, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of the City of Albany Capital Resource Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer, who serve at the pleasure of the Common Council of the City; and

WHEREAS, in April, 2010, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Issuer as a public instrumentality of the City; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, in September, 2017, Albany Medical Center, a New York not-for-profit corporation (the “Institution”) has submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$4,800,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$4,470,000 (the “Series 2006B Bonds” and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”); and

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$3,020,000 (the “Series 2007A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$535,000 (the “Series 2007B Bonds” and collectively with the Series 2007A Bonds, the “Series 2007 Bonds”) (the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds),

which Prior Bonds provided financing for previously completed capital projects located at 23, 31 and 35 Hackett Boulevard, 628 Madison and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative and office facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of

undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to equal \$12,590,000 and in any event not to exceed \$17,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the board of directors of the Issuer on September 21, 2017 (the “Inducement Resolution”), the Chief Executive Officer of the Issuer (A) caused notice of the public hearings of the Issuer (the “Public Hearings”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Incorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 26, 2017 in Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (B) caused notice of the Public Hearings to be posted on September 25, 2017 at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearings to be mailed on September 25, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (D) conducted the Public Hearings on October 10, 2017 at 5:30 o’clock p.m. local time and on October 11, 2017 at 12:00 noon, local time at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearings (the “Public Hearing Reports”) which fairly summarized the views presented at such Public Hearings and caused copies of said Public Hearing Reports to be made available to the members of the board of directors of the Issuer and to the Mayor of City of Albany, New York (the “Mayor”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the board of directors of the Issuer on October 19, 2017 (the “SEQR Resolution”), the Issuer determined that the Project constituted a “Type II action” (as such quoted term is defined under SEQRA), and therefor that no further action with respect to the Project was required under SEQRA; and

WHEREAS, by certificate to be executed by the Mayor subsequent to this meeting (the “Public Approval”), the Mayor is expected to approve the issuance of the Obligations for purposes of Section 147(f) of the Code; and

WHEREAS, the Issuer now desires to authorize issuance of its Revenue Refunding Bonds (Albany Medical Center Project) in multiple series and in the aggregate principal amount of not to exceed \$17,500,000 (collectively, the “Series 2017 Bonds”) for the purpose of financing the portion of the costs of the Project consisting of the refunding of the Prior Bonds, delegating to the Chair of the Issuer authority to determine the final details of the Series 2017 Bonds (the “Bond Details”) once the negotiating and structuring of the Series 2017 Bonds are completed and the Institution has agreed to the Bond Details; and

WHEREAS, the Series 2017 Bonds will be issued pursuant to this Bond Resolution, a certificate of determination dated the Closing Date (as defined in the Bond Details) (the “Certificate of

Determination”) executed by the Chair of the Issuer and certain bond purchase and disbursing agreements, each dated as of November 1, 2017 (collectively, the “Bond Purchase Agreement”) by and among the Issuer, the Institution, Bank of America, N.A., as disbursing agent (the “Disbursing Agent”) and Bank of America Public Capital Corp. and Bank of America, N.A., each as initial purchasers of the Series 2017 Bonds (collectively, the “Holder”); and

WHEREAS, prior to or simultaneously with the issuance of the Series 2017 Bonds, the Issuer and the Institution will execute and deliver certain loan agreements, each dated as of November 1, 2017 (collectively, the “Loan Agreement”) by and between the Issuer, as lender, and the Institution, as borrower, pursuant to the terms of which Loan Agreement (A) the Issuer will agree (1) to issue the Series 2017 Bonds, and (2) to make certain loans to the Institution of the proceeds of the Series 2017 Bonds (collectively, the “Loan”) for the purpose of assisting in financing the Project, and (B) in consideration of the Loan, the Institution will agree (1) to cause the Project to be undertaken and completed, (2) to use the proceeds of the Loan disbursed under the Bond Purchase Agreement to pay (or reimburse the Institution for the payment of) the costs of the Project, and (3) to make payments sufficient in amount to pay when due all amounts due with respect to the Series 2017 Bonds (the “Loan Payments”) to or upon the order of the Issuer in repayment of the Loan, which Loan Payments shall include amounts equal to the Debt Service Payments due on the Series 2017 Bonds; and

WHEREAS, pursuant to the Bond Purchase Agreement, the Disbursing Agent will disburse the proceeds of the Series 2017A Bond to the Institution from time to time to pay the costs of the Project, but only upon satisfaction of the requirements for making such disbursements set forth in the Bond Purchase Agreement and in the Loan Agreement; and

WHEREAS, as security for the Series 2017A Bond, the Issuer will execute and deliver to the Holder certain pledges and assignments, each dated as of November 1, 2017 (collectively, the “Pledge and Assignment”) from the Issuer to the Holder, and acknowledged by the Institution, which Pledge and Assignment will assign to the Holder certain of the Issuer’s rights under the Loan Agreement; and

WHEREAS, pursuant to the Pledge and Assignment, basic Loan Payments made by the Institution under the Loan Agreement are to be paid directly to the Trustee or the Holder; and

WHEREAS, the (A) Institution’s obligation (1) to make all Loan Payments under the Loan Agreement and (2) to perform all obligations related thereto and (B) Issuer’s obligation to repay the Series 2017 Bonds may be further secured by a guaranty (the “Guaranty”) from the Institution to the Holder; and

WHEREAS, the Holder will furnish to the Issuer a letter (the “Investment Letter”) certifying that the Holder is an institutional investor which is purchasing the Series 2017 Bonds for the purpose of investment and not with a view to, or for resale in connection with, any distribution of the Series 2017 Bonds or any part thereof; and

WHEREAS, the Series 2017 Bonds will be further secured, negotiated and structured as provided in the Certificate(s) of Determination; and

WHEREAS, in connection with the negotiating and structuring of some or all of the series of the Series 2017 Bonds, (A) the Issuer may enter into (or accept) one or more agreements with one or more entities chosen by the Institution to locate the initial and/or subsequent purchasers of the Series 2017 Bonds, each of which entities may either act as agent to market the Series 2017 Bonds or may act as a placement agent or an underwriter to guarantee the marketing of the Series 2017 Bonds (each such entity being hereinafter referred to as a “Bond Marketer”); (B) the Issuer may enter into one or more investment

banking agreements (each, an “Investment Banking Agreement”) by and among the related initial purchaser(s) of the Series 2017 Bonds, the Issuer and the Institution; (C) the Institution may provide indemnification to the Issuer and the related initial purchaser(s) of the Series 2017 Bonds relating to the issuance and sale of the related Series 2017 Bonds pursuant to one or more letters of representation (each, a “Letter of Representation”) by and among the Institution, the Issuer and the related initial purchaser(s) of the Series 2017 Bonds; (D) the related Bond Marketer may utilize a preliminary official statement or other preliminary offering document (the “Preliminary Offering Document”) and a final official statement or other preliminary final document (the “Final Offering Document”) in connection with the initial and/or subsequent offering of some or all of the Series 2017 Bonds; and (E) the related Bond Marketer may also obtain a rating of some or all of the Series 2017 Bonds from one or more securities rating agencies (each such rating agency that provides a rating of the Series 2017 Bonds, a “Rating Agency”); and

WHEREAS, to assure compliance with the continuing disclosure requirements imposed by the Securities and Exchange Commission, the Institution may execute and deliver to the related Bond Marketer one or more continuing disclosure agreements (each, a “Continuing Disclosure Agreement”) relating to some or all of the Series 2017 Bonds; and

WHEREAS, some or all of the Series 2017 Bonds may be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for such Series 2017 Bonds, and, to comply with the requirements of the Depository and the Issuer will execute and deliver to the Depository a letter of representations (the “Depository Letter”) relating to such Series 2017 Bonds; and

WHEREAS, with respect to any portion of the Series 2017 Bonds intended to be issued as federally tax-exempt obligations (the “Tax-Exempt Bonds”), to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute one or more arbitrage certificates dated the date of delivery of the related Tax- Exempt Bonds (each, an “Arbitrage Certificate”) relating to certain requirements set forth in Section 148 of the Code relating to such Tax- Exempt Bonds, (2) execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to such Tax- Exempt Bonds (each, an “Information Return”) pursuant to Section 149(e) of the Code, and (3) file the Information Return(s) with the Internal Revenue Service, (B) the Institution will execute one or more tax regulatory agreements dated the date of delivery of the related Tax- Exempt Bonds (each, a “Tax Regulatory Agreement”) relating to the requirements in Sections 145 through 150 of the Code applicable to such Tax- Exempt Bonds and (C) either the Bond Marketer or the initial purchasers of the related Tax- Exempt Bonds will execute a letter (each, an “Issue Price Letter”) confirming the issue price of such Tax- Exempt Bonds for purposes of Section 148 of the Code; and

WHEREAS, the Issuer now desires to (A) authorize the issuance of the Series 2017 Bonds for the purpose of financing a portion of the costs of the Project; (B) delegate to the Chair, Vice Chair or Chief Executive Officer of the Issuer (the “Authorizing Officer”) authority to deem as final any marketing or offering document to be used by any Bond Marketer in connection with the marketing of any or all of the Series 2017 Bonds; (C) delegate to the Chair, Vice Chair or Chief Executive Officer of the Issuer (the “Authorizing Officer”) authority to determine the final details of any of the Series 2017 Bonds (the “Bond Details”) once the negotiating and structuring of such Series 2017 Bonds is completed and the Institution has agreed to the Bond Details, which Bond Details so determined may include but not be limited to the following: (1) the aggregate principal amount of Series 2017 Bonds to be issued; (2) the number of series thereof; and (3) for each series of the Series 2017 Bonds (each, a “Series”), (a) the authorized principal amount of such Series, (b) whether such Series shall include subseries of such Series (each, a “Subseries”), (c) the designation of such Series and any Subseries, (d) the determination of whether the interest on such bonds of such Series and/or Subseries is includible in gross income for federal tax

purposes (hereinafter referred to as the “Taxable Bonds”) or excludible from gross income for federal tax purposes (hereinafter referred to as the “Tax-Exempt Bonds”), and the terms providing for the conversion of bonds of such Series and/or Subseries from Taxable Bonds to Tax-Exempt Bonds, (e) the purpose or purposes for which such Series is being issued, which shall be limited to (i) payment of the costs of the Project, (ii) payment of the costs of issuance of such Series, (iii) making a deposit to a debt service reserve fund securing such Series, if any, which may include interest thereon, (iv) funding or refunding of other debt of the Issuer, which may include interest thereon, all or a portion of the proceeds of which were applied to making a loan to the Institution, and (v) exchanging bonds of such Series for bonds, notes or other evidences of indebtedness of the Institution or of the Issuer issued on behalf of the Institution, (f) whether a debt service reserve fund is established securing such Series, the debt service reserve fund requirement relating to same, the terms and conditions for such debt service reserve fund and the terms and conditions upon which a reserve fund facility may be used to fund all or a portion of the debt service reserve fund, (g) the date or dates, the maturity date or dates and principal amounts of each maturity of the bonds of such Series and/or Subseries, the amount and date of each sinking fund installment, if any, and which bonds of such Series and/or Subseries are serial bonds or term bonds, if any, and the record date or record dates of the bonds of such Series and/or Subseries, (h) the interest rate or rates of the bonds of such Series and/or Subseries, the date from which interest on the bonds of such Series and/or Subseries shall accrue, the dates on which interest on the bonds of such Series and/or Subseries shall be payable, (i) the denomination or denominations of and the manner of numbering and lettering the bonds of such Series and/or Subseries, (j) the trustee, bond registrar and paying agent or paying agents for such Series and/or Subseries and the place or places of payment of the principal, sinking fund installments, if any, or redemption price of and interest on the bonds of such Series and/or Subseries, (k) the redemption price or purchase in lieu of redemption price or redemption prices or purchase in lieu of redemption prices, if any, and the redemption or purchase in lieu of redemption terms, if any, for the bonds of such Series and/or Subseries, (l) provisions for the sale or exchange of the bonds of such Series and/or Subseries and for the delivery thereof, (m) the form of the bonds of such Series and/or Subseries and the form of the trustee’s certificate of authentication thereon, and whether any bonds of such Series and/or Subseries are to be issued as book entry bonds and the depository therefor, (n) if bonds of such Series and/or Subseries are to be exchanged for bonds, notes or other evidence of indebtedness of the Institution or the Issuer, the provisions regarding such exchange, (o) directions for the application of the proceeds of the bonds of such Series and/or Subseries, (p) the trustee for such Series and/or Subseries, and (q) any other provisions deemed advisable by the Authorizing Officer not in conflict with the provisions of this Bond Resolution; and (D) authorize execution and delivery by the Issuer of various documents relating to the issuance of the Series 2017 Bonds, including but not limited to the hereinafter defined Issuer Documents;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION AS FOLLOWS:

Section 1. The Issuer hereby finds and determines that:

(A) By virtue of the Certificate of Incorporation and the Enabling Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Enabling Act and to exercise all powers granted to it under the Enabling Act; and

(B) The financing and/or refinancing of the Project and the financing thereof with the proceeds of the Loan to the Institution will relieve and reduce unemployment, promote and provide for additional and maximum employment and better and maintain job opportunities, and thereby lessen the burdens of government; and

(C) It is desirable and in the public interest for the Issuer to issue and sell its Series 2017 Bonds upon the terms and conditions determined by the Chair or Chief Executive Officer of the Issuer once the negotiating and structuring of the Series 2017 Bonds is completed and the Institution has agreed to the Bond Details; and

(D) Neither the members, directors or officers of the Issuer, nor any person executing the Series 2017 Bonds, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. Further, that the Series 2017 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or City of Albany, New York or any political subdivision thereof, and neither the State of New York, or City of Albany, New York nor any political subdivision thereof shall be liable thereon; and

(E) The Finance Committee of the Issuer has recommended the Issuer to consider this Bond Resolution authorizing the issuance of the Series 2017 Bonds.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: I (A) issue the Series 2017 Bonds on the terms and conditions set forth in the Bond Purchase Agreement, (B) sell the Series 2017 Bonds to the Holder pursuant to the terms set forth in the Bond Purchase Agreement, (C) use the proceeds of the Series 2017 Bonds to make the Loan to the Institution for the purpose of financing a portion of the costs of issuance of the Series 2017 Bonds and a portion of the costs of the Project, (D) secure the Series 2017 Bonds by assigning to the Holder pursuant to the Pledge and Assignment, certain of the Issuer's rights under the Loan Agreement, including the right to collect and receive certain amounts payable thereunder, (E) further secure the Series 2017 Bonds as provided in the final terms of the Series 2017 Bonds, as negotiated and structured by the Bond Marketer, (F) execute the Arbitrage Certificate and the Information Return with respect to the Series 2017 Bonds, and (G) file the Information Return with the IRS OR II (A) authorize the use of, and authorize the Chair, Vice Chair or Chief Executive Officer of the Issuer the authority to determine the form and substance of, and deem final, any Preliminary Offering Document and any Final Offering Document to be used by any Bond Marketer in connection with the initial offering and/or any subsequent offering of any of the Series 2017 Bonds, (B) authorize the Chair, Vice Chair or Chief Executive Officer of the Issuer the authority to (1) execute and deliver on behalf of the Issuer any Bond Purchase Agreement related to any of the Series 2017 Bonds and (2) determine, on behalf of the Issuer, from time to time the Bond Details relating to the Series 2017 Bonds, (C) issue the Series 2017 Bonds from time to time on the terms and conditions set forth in the Bond Purchase Agreement, the related Certificate of Determination and any Investment Banking Agreement related to such Series 2017 Bonds, (D) sell any or all of the Series 2017 Bonds to the initial and/or subsequent purchasers thereof pursuant to the terms set forth in the Bond Purchase Agreement, the related Certificate of Determination and any related Investment Banking Agreement, (E) use the proceeds of the Series 2017 Bonds to make the Loan to the Institution for the purpose of financing a portion of the costs of issuance of the Series 2017 Bonds and a portion of the costs of the Project, (F) secure the Series 2017 Bonds by assigning to the Holder pursuant to the Pledge and Assignment certain of the Issuer's rights under the Loan Agreement, including the right to collect and receive certain amounts payable thereunder, (G) further secure the Series 2017 Bonds as provided in the final terms of the Series 2017 Bonds, as negotiated and structured by the Bond Marketer, (H) execute from time to time the Arbitrage Certificate(s) and the Information Return(s) with respect to the Series 2017 Bonds, and (I) file the Information Return(s) with the IRS.

Section 3. The Issuer hereby delegates to the Chair or Vice Chair of the Issuer the power to approve, on behalf of the Issuer, the form and substance of the Bond Purchase Agreement(s), the Loan Agreement(s), the Series 2017 Bonds, the Pledge and Assignment, the Investment Banking Agreement(s), the Arbitrage Certificate(s), the Information Return(s), the Depository Letter(s) and any documents

necessary and incidental thereto including, but not limited to, any documents authorized by any Certificate of Determination and approved by counsel to the Issuer (hereinafter collectively called the "Issuer Documents").

Section 4. Subject to receipt by the Issuer of a certificate executed from the Mayor indicating that the Mayor has approved the issuance of the Series 2017 Bonds pursuant to, and solely for the purposes of, Section 147(f) of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver to the Holder the Series 2017 Bonds in the aggregate principal amount of not to exceed \$17,500,000 or so much as necessary to finance the Costs of the Project, in the amount, in the form and in the amount and containing the other provisions determined by the Chair or Vice Chair of the Issuer in the Certificate of Determination, and the Institution is hereby authorized to deliver said Series 2017 Bonds to the purchasers thereof against receipt of the purchase price thereof, all pursuant to the Enabling Act and in accordance with the provisions of the Bond Purchase Agreement, this Bond Resolution, the Certificate of Determination and any Investment Banking Agreement, provided that:

(A) The Series 2017 Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 4 shall (1) be issued, executed and delivered at such time as the Chair or Vice Chair of the Issuer shall determine, and (2) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Series 2017 Bonds, the Bond Purchase Agreement or the Investment Banking Agreement and the Certificate of Determination, or as are hereinafter approved by the Chair or Vice Chair of the Issuer in accordance with Section 5 hereof, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Bond Resolution.

(B) The Series 2017 Bonds shall be issued solely for the purpose of providing funds to finance (1) the costs of making the Loan for the purpose of financing a portion of the costs of the Project as described in the Issuer Documents, and (2) a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the Loan and the Project and incidental to the issuance of the Series 2017 Bonds.

(C) Neither the members, directors nor officers of the Issuer, nor any person executing the Series 2017 Bonds or any of the Financing Documents (as hereinafter defined) on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2017 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or City of Albany, New York or any political subdivision thereof (other than the Issuer), and neither the State of New York, or City of Albany, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

(D) The Series 2017 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived from the repayment of the Loan or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the other security pledged to the payment thereof.

(E) With respect to the Tax-Exempt Bonds, the issuance of the Tax-Exempt Bonds is subject to receipt by the Issuer of the certificate from the Mayor indicating that the Mayor has approved the issuance of such Tax-Exempt Bonds pursuant to, and solely for the purposes of, Section 147(f) of the Code.

(F) Notwithstanding any other provision of this Bond Resolution, the Issuer covenants that it will make no use of the proceeds of the Series 2017 Bonds or of any other funds of the Issuer (other than the Issuer’s administrative fees) which, if said use had been reasonably expected on the date of issuance of the Series 2017 Bonds, would have caused any of the Series 2017 Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code.

Section 5. (A) The Chair or Vice Chair of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Issuer Documents and the other documents related thereto (collectively with the Issuer Documents, the “Financing Documents”), and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof approved by the Chair or Vice Chair of the Issuer, with such changes, variations, omissions and insertions as the Chair or Vice Chair of the Issuer shall approve, the execution thereof by the Chair or Vice Chair of the Issuer to constitute conclusive evidence of such approval.

(B) The Chair or Vice Chair of the Issuer is hereby further authorized, on behalf of the Issuer, to designate any additional Authorized Representatives of the Issuer (as defined in and pursuant to the Loan Agreement).

Section 6. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Bond Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer.

Section 7. This Bond Resolution shall take effect immediately and the Series 2017 Bonds are hereby ordered to be issued in accordance with this Bond Resolution.

The question of the adoption of the foregoing Bond Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Bond Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer, including the Resolution contained therein, held on August 14, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Board of Directors of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Board of Directors of the Issuer 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ____ day of October, 2017.

(Assistant) Secretary

(SEAL)

PROJECT SYNOPSIS
ALBANY MEDICAL CENTER HOSPITAL 2017 REFUNDING PROJECT

CITY OF ALBANY CAPITAL RESOURCE CORPORATION
REVENUE REFUNDING BONDS
(ALBANY MEDICAL CENTER HOSPITAL PROJECT), SERIES 2017
IN THE AGGREGATE PRINCIPAL AMOUNT OF \$ _____

I. PROJECT IDENTIFICATION:

1. **Project Applicant:** Albany Medical Center Hospital, a New York not-for-profit corporation (the “Institution”). The Application was filed with City of Albany Capital Resource Corporation (the “Issuer”) in September, 2017.

2. **The Project:** The Application requested the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005A in the original aggregate principal amount of \$10,000,000 (the “Series 2005A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005B in the original aggregate principal amount of \$3,000,000 (the “Series 2005B Bonds”) and collectively with the Series 2005A Bonds, the “Series 2005 Bonds”);

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$5,855,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$1,000,000 (the “Series 2006B Bonds”) and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”);

(C) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$6,645,000 (the “Series 2007A Bonds”), its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$2,335,000 (the “Series 2007B Bonds”), its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007C in the original aggregate principal amount of \$13,160,000 (the “Series 2007C Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007D in the aggregate principal amount of \$1,465,000 (the “Series 2007D Bonds”) and collectively with the Series 2007A Bonds, the Series 2007B Bonds and the Series 2007C Bonds, the “Series 2007 Bonds”) (the Series 2005 Bonds, the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds”),

which Prior Bonds provided financing for previously completed capital projects located at 25 and 60 Hackett Boulevard and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative, office and garage facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to equal \$28,925,000 and in any event not to exceed \$32,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer; and

II. PRIOR ACTION ON PROJECT:

3. Inducement Proceedings:

(A) Preliminary Inducement Resolution: adopted on September 21, 2017.

(B) Public Hearing:

(1) Date Notices Published: September 26, 2017, in the Times Union.

(2) Date Notices Mailed to Affected Tax Jurisdictions: September 25, 2017.

(3) Bond Amount Advertised: estimated to be an amount not to exceed \$32,500,000.

(4) Date of Public Hearings: October 10, 2017 and October 11, 2017.

(5) Place of Public Hearings: 21 Lodge Street in the City of Albany, Albany County, New York.

(C) Preliminary Inducement Resolution: authorized bonds in an amount not to exceed \$32,500,000.

III. PROPOSED CURRENT ACTION AND ISSUER ACTION FOR OCTOBER 19, 2017 MEETING:

4. **SEQR Resolution**: To be considered on October 19, 2017.

5. **Bond Resolution**: To be considered on October 19, 2017.

6. **Public Approval**: Approval by the Mayor of the City of Albany is expected in October, 2017.

IV. DETAILS OF PROPOSED BOND TRANSACTION:

7. Business Terms:

- (A) Financing structure: The Series 2017 Bonds will be repaid through payments received by the Issuer under a loan agreement (the “Loan Agreement”) by and between the Issuer and the Institution.
- (B) Issuer benefits provided: The issuance of tax-exempt bonds.
- (C) Issuer fee: Administrative fee equal to .25% of actual bond amount (e.g., if bond amount is \$28,925,000, then administrative fee is equal to \$72,312.50).

8. Details of Bond Issue:

- (A) Amount of proposed Bond Issue: an amount presently estimated to not exceed \$32,500,000; in multiple series, and with some series being tax-exempt and some series being taxable, the actual principal amount and number of series to be determined by the Chair or Vice Chair of the Issuer once the negotiating and structuring of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds. The Series 2017 Bonds will be issued pursuant to certain bond purchase and disbursing agreements, each dated as of November 1, 2017 (collectively, the “Bond Purchase Agreement”) by and among the Issuer, the Institution, Bank of America, N.A., as disbursing agent (the “Disbursing Agent”) and Bank of America Public Capital Corp. and Bank of America, N.A., each as initial purchasers of the Series 2017 Bonds (collectively, the “Holder”).
- (B) Bond Purchaser: The Series 2017 Bonds will be purchased by the Holder.
- (C) Will the Series 2017 Bonds be Remarketed? No.
- (D) Interest Rates, Maturity Dates and Interest Payment Dates: see attached term sheet and also to be determined by the Chair or Vice Chair of the Issuer once the marketing of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds.
- (E) Redemptions: see attached term sheet and also to be determined by the Chair or Vice Chair of the Issuer once the marketing of the Series 2017 Bonds is completed and the Institution has agreed to the final details of the Series 2017 Bonds.

9. Security for the Series 2017 Bonds:

- (A) A pledge and assignment dated as of November 1, 2017 (the “Pledge and Assignment”) from the Issuer to the Holder, pursuant to which the Issuer has assigned to the Holder its rights under the Loan Agreement (except the Unassigned Rights, as defined therein).
- (B) Such other agreements as required by the Holder.

10. Bond Documents:

- (A) Bond Purchase Agreement by and among the Issuer, the Institution, the Disbursing Agent and the Holder.
- (B) Loan Agreement by and between the Issuer and the Institution.
- (C) Pledge and Assignment of the Loan Agreement from the Issuer to the Holder.

11. Proposed Pre-Closing and Closing Dates: November 14, 2017; funding November 15, 2017.

12. Bond Counsel: Hodgson Russ LLP, Albany, New York

TERM SHEETS

SUMMARY OF TERMS AND CONDITIONS

Submission Date July 12, 2017
Updated July 26, 2017
Updated August 24, 2017

Borrower: Albany Medical Center Hospital ("AMCH")

Unlimited Guaranty: Albany Medical Center ("AMC")

Authority: City of Albany Capital Resource Corporation

Purchaser: Banc of America Public Capital Corp ("BAPCC" or the "Purchaser").

Facility: Direct Purchase Index Floating Rate Bond (the "Facility" or "Bond") new Series 2017C, held by the Purchaser. The Facility shall be issued as a single, physical term Bond registered to BAPCC and delivered to BAPCC at closing. The Bond held by Purchaser will not be designed or intended to be traded in a public market, will not carry a public rating, will not be held at DTC, and will not have a CUSIP number assigned to it. The Bond will not be issued in a multi modal format. The bond purchased by BAPCC will be held in an Index Floating Rate mode.

Facility Amount: Up to \$11,970,000

Use of Proceeds: Proceeds of the Facility shall be used to refinance the AMCH Series 2007A & 2007C bonds.

Security: Bond will be secured by a gross revenue pledge of Albany Medical College on parity with all senior debt obligations with Bank of America Merrill Lynch and a negative pledge agreement consistent with existing loan agreements documented with Bank of America, N.A. to include, but not be limited to a negative pledge of the assets of Albany Medical Center, Albany Medical Center Hospital and Albany Medical College.

Mandatory Tender Date: 10 years from the date of loan closing

On the Mandatory Tender Date, the Bond shall be subject to mandatory purchase by the Borrower at a price equal to the outstanding principal amount of the Bond plus all accrued interest, unless prior to such date the Purchaser, in its sole discretion, has notified the Borrower that the Purchaser will allow the Bond to be remarketed to the Purchaser. The terms of any such remarketing to the Purchaser will be determined by mutual agreement after such analysis and due diligence as the Purchaser may require.

Bond Amortization: The Bond will amortize as outlined in Exhibit A attached hereto, substantially similar to the schedule outlined in the RFP dated June 20, 2017

Interest Rates: The Facility shall bear interest at a tax-exempt rate equal to the sum of (i) 70% of the one month LIBOR Rate plus (ii) the Applicable Margin (the "Index Floating Rate"). Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year. The Index Floating Rate will be adjusted on the first business day of each month (the "Rate Reset Date") and remain fixed until the first business day of the next month. All interest payments shall be made monthly on the first business day of the month.



Mandatory Tender	Applicable Margin
10 years	90bps

"LIBOR Rate" shall mean a fluctuating rate of interest per annum equal to the London Interbank Offered Rate (or a comparable or successor rate which is approved by the Purchaser), as published by Bloomberg (or other commercially available source providing quotations of such rate as selected by the Purchaser from time to time), as determined for each Rate Reset Date at approximately 11:00 a.m. London time two (2) London Banking Days prior to each Rate Reset Date, for U.S. Dollar deposits (for delivery on the first day of such interest period) with a one month term, as adjusted from time to time in Purchaser's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by Purchaser. If the LIBOR Rate as determined above is ever less than zero, then for purposes of the Bond the LIBOR Rate shall be deemed to be zero. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars.


The pricing quoted herein assumes interest on the Facility is excludable from gross income of the Purchaser under Section 103 of the Internal Revenue Code of 1986, as amended. In the event a determination of taxability shall occur, in addition to the amounts required to be paid with respect to the Bond under the financing documents, the Borrower shall be obligated to pay to the Purchaser:

- (1) an amount equal to the positive difference, if any, between (i) the amount of interest that would have been paid during the period of taxability if the Bonds had borne interest at the taxable rate (i.e., the product of the otherwise applicable rate and 1.54) and (ii) the interest actually paid to the Purchaser as the owner of the Bonds; and
- (2) an amount equal to any interest, penalties or charges owed by the Purchaser as a result of interest on the Bonds becoming includable in the gross income of the Purchaser (taxability determination), together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by the Purchaser in connection therewith.

Margin Rate Factor: The Index Floating Rate will be subject to adjustment by a Margin Rate Factor. The Margin Rate Factor means the greater of (i) 1.0 and (ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) 1.54. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. The Maximum Federal Corporate Tax Rate is currently 35% such that the current Margin Rate Factor equals 1.0.

Default rate: In the event of any default under the Facility, the Index Floating Rate then in effect on all outstanding principal shall increase, at the Purchaser's option, without notice to the Borrower by an additional 3.00% per annum.

Optional Redemption: The Borrower, upon ten business day's written notice, may prepay the Facility, in whole or in part, plus accrued interest to the day of prepayment, without penalty on each Rate Reset Date (herein after defined). Any prepayment on a day other than



a Rate Reset Date would be subject to the Purchaser's standard break-funding provision. Partial prepayments shall be applied to the most remote payment of principal due under the Bonds.

BAPCC's Counsel: Estimated legal fees at \$40,000 plus disbursements/out of pocket expenses inclusive of all Series 2017 bonds as presented in the RFP. The fee estimate is subject to change in the event the Purchaser and Bank of America, NA are not awarded the entire financing requested.

Borrower Responsible For all fees and Expenses:

The Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration, and closing of all documentation, including, without limitation; environmental assessment fees (if required), the legal fees of counsel to BAPCC, regardless of whether or not the transaction contemplated hereby is closed. The Borrower will also pay the expenses of BAPCC in connection with the enforcement of any loan documentation.


COST AND YIELD PROTECTION; TAXES:

Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with repayments, changes in capital adequacy and capital requirements or their interpretation (including implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Basel III) and payments free and clear of withholding or other taxes.

If a change in laws, rules, guidelines, or regulations (or their interpretation, implementation or administration) shall occur or be implemented and shall increase the cost to the Purchaser, its parent company's or participant's (if any) of issuing or maintaining the Facility or decrease the return on the Purchaser's, its parent company's or any of its participants' capital, or on the capital of the holding company of any participant, the Purchaser may increase the interest rate by such amount as is necessary to compensate it, its parent companies or such participant for such increased costs or decreased return.

Covenants:

Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements, forecasts, regulatory filings, compliance certificates and other information; (ii) notices of default, material litigation, material governmental proceedings or investigations, ERISA and environmental proceedings and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; (v) maintenance of properties and insurance; (vi) compliance with laws; (vii) maintenance of books and records; (viii) inspection rights; (ix) use of proceeds; (x) more restrictive financial covenants in other existing or future credit facilities deemed incorporated in the Facility; (xi) limitations on (A) liens, investments (including loans and advances), and indebtedness, (B) mergers and other fundamental changes, (C) sales and other dispositions of property or assets, (D) changes in the nature of business, (E) transactions with affiliates; (F) burdensome agreements; (xii) with respect to future swap obligations, restrictions on collateralization and required subordination of swap termination payments; (xiii) incorporation of covenants in related documents by reference. More restrictive covenants contained in other credit agreements incorporated by reference into the Facility will be in effect only for so long as the other credit agreements containing such more restrictive covenants are in effect.



Financial Covenants: Financial covenants shall include, but will not be limited to, the following:

- Minimum 1.50x Debt Service Coverage ratio (DSC) on the Borrower, measured quarterly on a rolling 4-quarter basis.
- Minimum 1.40x Debt Service Coverage ratio (DSC) on combined Borrower, Guarantor and Albany Medical College, measured quarterly on a rolling 4-quarter basis.
- Minimum 30 Days Cash on Hand (DCOH), on combined Borrower, Guarantor and Albany Medical College, This shall be measured semi-annually at the end of the second and fourth fiscal quarters.

Reporting Requirements:

The Borrower and the Guarantor shall provide financial information and statements in a form and content acceptable to the Purchaser including, but not limited to, the following:

- Annual CPA audited consolidated and consolidating financial statements due within 150 days of the fiscal year-end.
- Quarterly internally prepared financial statements, including year-to-date variance to budget due within 60 days of each fiscal quarter to include operating statistics.
- Each financial statement shall be accompanied by a covenant compliance certificate prepared by an authorized officer of the Borrower that includes computation of all financial covenants to be tested as of such date.
- Annual operating budget within 30 days after the commencement of the Fiscal Year to which it relates.
- Other items as may be reasonably requested from time to time.

Events of Default:

Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the loan documentation; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) cross-default to other indebtedness; (v) actual or asserted invalidity or impairment of any loan documentation

Conditions Precedent to Closing:

The closing and BAPCC's purchase of the Bond shall be subject to satisfaction of the conditions precedent deemed appropriate by BAPCC including, but not limited to: The negotiation, execution and delivery of definitive documentation including, without limitation; (i) satisfactory legal opinions regarding tax-exempt status of Bond and covering authority, validity, binding effect, and enforceability of the documents and (ii) other customary closing documents for the Bond satisfactory to BAPCC; (iii) there shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a material adverse change as determined in the sole discretion of BAPCC.

Any Facility secured by real estate will be subject to applicable flood insurance regulations at origination and at all times during the life of such Facility. Compliance with flood insurance regulations will be required as a condition to closing and flood compliance will be tested prior to making, increasing, renewing or extending any such Facility. Prior to any mortgage being granted to the Purchaser, satisfactory due diligence will be required regarding flood



determination and environmental matters. The Purchaser will be given sufficient time to complete such matters and, in any event, no less than 60 days. It will be in the Purchaser's sole discretion to accept any mortgage from the Borrower.

Waivers and Amendments:

Amendments and waivers of the provisions of the Facility and other definitive credit documentation will require the approval of BAPCC.

Bond Documentation: The Bond will be purchased by the Purchaser in accordance with and subject to the provisions of a Continuing Covenants Agreement "CCA" between the Purchaser and the Borrower or a Tri-party Agreement "TPA" among the Purchaser, the Borrower and the Authority of the Bond. The Bond, any Bond Indenture, any Bond Loan Agreement, any Master Trust Indenture, any Supplemental Master Indenture, any MTI Obligation, and the TPA/CCA, as executed and delivered in connection with the Bond, are herein collectively referred to as the "Bond Documentation". The Bond Documentation will include, but not be limited to, the terms and conditions outlined herein as well as provisions that are customary and standard for this type of financing with respect to conditions precedent, representations and warranties, covenants, events of default and remedies.

Governing Law:

This Proposed Term Sheet, the Facility and any other documents to which the Purchaser shall become a party will be governed by the laws of the State of New York.

Transfers:


While the Purchaser is purchasing the Bond for its own account without a current intent to transfer them, the Purchaser reserves the right in its sole discretion to assign, sell, pledge or participate interests in the Bond without the consent of the Borrower; provided however that such transfer shall not take place for at least 60 days from the date of closing.

Contacts:

<p>BAPCC: Frank Vrabel SVP, Senior Credit Products Officer 401 E Las Olas Blvd Fort Lauderdale, Florida 33301 Telephone: (954) 765-2216 Email: frank.vrabel@baml.com</p>	<p>BAPCC Counsel: Harris Beach, PLLC Hal Patrick 677 Broadway, Suite 1101 Albany, NY 12207 Telephone: (518) 427-9700 Email: hpatrick@harrisbeach.com</p>
<p>BANA: Jared Smith SVP, Senior Credit Products Officer 10 Fountain Plaza, 9th Floor Buffalo, NY 14202 Telephone: (716) 847-4433 Email: jared.a.smith@baml.com</p>	<p>BANA: Jeffrey Castillo VP, Senior Client Manager One Bryant Park New York, NY 10036 Telephone: (646) 743-0888 Email: jeffrey.castillo@baml.com</p>

Proposed Terms and Conditions Subject to Certain Events:

This Summary of Terms and Conditions is intended only as an outline of certain material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. This Summary of Terms and Conditions is not a commitment. It represents a willingness on the part of the Purchaser to seek approval to provide the Facility Amount indicated herein and to consummate a



transaction based upon the terms and conditions outlined in this Summary of Terms and Conditions and is subject to:

- Final credit approval (see "Credit Process Timeframe" below);
- Absence of any material adverse change in the financial condition, operations or prospects of the Borrower or the Guarantor (if any), or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of Purchaser;
- Such additional due diligence as Purchaser may require; and
- Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

Credit Process Timeline:

The credit process will take approximately 14 business days from the point at which Purchaser is officially awarded the transaction and has in its possession all materials necessary to undertake a full credit analysis.

Expiration of Terms and Conditions:

Unless rescinded earlier, consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire 30 days from the date hereof.

Future Modifications: The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Summary of Terms and Conditions and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was [described herein or initially described in the RFP or in conjunction therewith], or (iv) the proposed financing does not close within 90 days.

Confidentiality:

This Summary of Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Summary of Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.

No Advisory or Fiduciary Role:

This proposal is submitted in response to your Request for Proposal dated June 20, 2017. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the "bank" exemption and the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of Section 15B of the Securities Exchange Act of 1934 and the Rules. In connection with this proposal and the transactions described herein, we are not acting as a financial advisor or municipal advisor to you or any other person, and are not subject to any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors in connection with your evaluation of this proposal and the transactions described herein.



EXHIBIT A

Amortization	2017C
12/31/17	-
12/31/18	975,000
12/31/19	1,020,000
12/31/20	1,070,000
12/31/21	1,120,000
12/31/22	1,170,000
12/31/23	1,230,000
12/31/24	1,285,000
12/31/25	1,340,000
12/31/26	1,415,000
12/31/27	1,345,000

REFINANCE PROPOSAL

PROPOSAL FOR TAX-EXEMPT &
TAXABLE LOANS

ALBANY MEDICAL CENTER HOSPITAL



**Proposal to Provide Tax-Exempt & Taxable Loans:
Albany Medical Center Hospital**

SUMMARY OF TERMS AND CONDITIONS

Submission date: July 12, 2017
Updated: July 26, 2017
Updated: August 24, 2017

BORROWER: Albany Medical Center Hospital

UNLIMITED GUARANTY: Albany Medical Center

ISSUING AUTHORITY: **City of Albany Capital Resource Corporation**

LENDER: **Bank of America, N.A.** ("BANA" or the "Bank").

FACILITY, AMOUNT AND MATURITY:

Tax-Exempt and Taxable Direct Purchase Loans (the "Facility") that is available in the amount and for the term set forth below. Amounts available under the Facility may be drawn on the effective date of the Facility (the "Closing Date").

Facility #1 will terminate and all amounts outstanding thereunder will be due and payable on the **10th anniversary** of the Closing Date.

Facility #2 will terminate and all amounts outstanding thereunder will be due and payable on the **3rd anniversary** of the Closing Date.

TOTAL FACILITY AMOUNT: Facility #1: Tax-Exempt Direct Purchase Term Loan Series 2017A Bonds of \$13,200,000

Facility #2: Taxable Direct Purchase Term Loan Series 2017B Bonds of \$3,755,000 plus swap terminations

USE OF PROCEEDS: Proceeds of Facility #1 shall be used to refinance the Borrower's Series 2005A and 2006A tax-exempt bonds.

Proceeds of Facility #2 shall be used to refinance the Borrower's Series 2005B, 2006B, 2007B and 2007D taxable bonds.

OPTIONAL PREPAYMENTS AND COMMITMENT REDUCTIONS:

In the case of The Borrower may prepay the Facility in whole or in part at any time without premium or penalty, subject to reimbursement of BANA's breakage and redeployment costs in the case of prepayment of LIBOR borrowings.

UPFRONT FEE: None



SUMMARY OF TERMS AND CONDITIONS

PROPOSAL FOR A TAX-EXEMPT & TAXABLE LOANS

INTEREST RATES:

(a) Taxable Rate Options:

Variable Rate: Facility #2 will bear interest at a rate equal to LIBOR plus the **Applicable Margin of 118bp**. The Borrower may select interest periods of one, two, three or six months for LIBOR loans or, upon consent of BANA, such other period that is twelve months or less, subject to availability. Interest shall be payable at the end of the selected interest period, but in no event less frequently than quarterly.

The LIBOR Daily Floating Rate is a fluctuating rate of interest which can change on each banking day. The rate will be adjusted on each banking day to equal the London Interbank Offered Rate (or a comparable or successor rate which is approved by the Bank) for U.S. Dollar deposits for delivery on the date in question for a one month term beginning on that date. The Bank will use the London Interbank Offered Rate as published by Bloomberg (or other commercially available source providing quotations of such rate as selected by the Bank from time to time) as determined at approximately 11:00 a.m. London time two (2) London Banking Days prior to the date in question, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars. If at any time LIBOR is less than zero, such rate shall be deemed to be zero.

Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

(b) Tax-Exempt Rate Options:

Fixed Rate: An indicative rate as of August 23, 2017 of **2.64%**, prepayment is subject to the Bank's make-whole provisions. The final rate shall be determined prior to closing at a time mutually acceptable to Borrower and the Bank.

Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

The pricing quoted above assumes interest on the Facility is excludable from gross income of the Bank under Section 103 of the Internal Revenue Code of 1986, as amended. In the event a determination of taxability shall occur, in addition to the amounts required to be paid with respect to the Facility under the financing documents, the Borrower shall be obligated to pay to the Bank:

- (1) an amount equal to the positive difference, if any, between (I) the amount of interest that would have been paid during the period of taxability if the Facility had borne interest at a taxable rate (i.e., the sum of (i) LIBOR plus (ii) the product of the Applicable Margin and 1.54) and (II) the interest actually paid to the Bank under the Facility; and
- (2) an amount equal to any interest, penalties or charges owed by the Bank as a result of interest on the Facility becoming includable in the gross income of the Bank, together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by the Bank in connection therewith.

(e) Scheduled Amortization:

The Facility's will amortize as outlined in Exhibit A attached hereto, substantially similar to the schedule and terms outlined in the RFP dated June 20, 2017.

SUMMARY OF TERMS AND CONDITIONS

(d) Default Rate: Upon the occurrence and during the continuance of any default under the Facility, the applicable rate on any outstanding amounts under the Facility shall increase by 3% per annum.

OTHER FEES AND EXPENSES:

(a) Lender's Counsel: Estimated legal fees at \$40,000 plus disbursements/out of pocket expenses inclusive of all Series 2017 bonds as presented in the RFP. The fee estimate is subject to change in the event the Lender and Banc of America Public Capital Corp are not awarded the entire financing requested.

(b) Administrative Fees: Amendments, transfers, standard waivers or consents: \$2,500 plus attorney's fees and expenses.

PAYMENT OF FEES AND EXPENSES:

(a) Timing / Computation of Payments: All fees are non-refundable. Any Upfront Fee, BANA's Counsel's fees and expenses and BANA's Out-of-Pocket Expenses are payable at closing in immediately available funds.

All other calculations of interest and fees shall be made on the basis of the actual number of days elapsed in a 360 day year.

(b) Fees and Expenses Valid for 90 Days: All fees and expenses, including those of BANA's Counsel, are subject to increase if the transaction is not closed within 90 days from the date BANA receives the mandate from the Borrower. In addition, the fees and expenses payable to BANA's Counsel may be increased if the security and/or structure of the transaction changes materially once documentation has commenced.

(c) Borrower Responsible For All Fees and Expenses: The Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration, and closing of all loan documentation including, without limitation, the legal fees of counsel to the BANA, regardless of whether or not the Facility is closed. The Borrower will also pay the expenses of BANA in connection with the enforcement of any loan documentation.

COST AND YIELD PROTECTION; TAXES:

Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with prepayments, changes in capital adequacy and capital requirements or their interpretation, illegality, unavailability, reserves without proration or offset and payments free and clear of withholding or other taxes.

CLAWBACK: The Facility will include customary interest rate recapture ("clawback") language allowing the BANA to recover interest in excess of any maximum interest rate imposed by law.

CONDITIONS PRECEDENT TO CLOSING:

The closing and the initial extension of credit under the Facility will be subject to satisfaction of the conditions precedent deemed appropriate by BANA including, but not limited to:

SUMMARY OF TERMS AND CONDITIONS

- The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Facility satisfactory to BANA.
- There shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect. "Material Adverse Effect" means (A) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Borrower and any Guarantor and any of their respective subsidiaries, taken as a whole; (B) a material impairment of the rights and remedies of BANA under any loan documentation, or of the ability of the Borrower or any Guarantor to perform its obligations under any loan documentation to which it is a party; or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or any Guarantor of any loan documentation to which it is a party, in each case as determined in the sole discretion of BANA.
- Receipt of satisfactory financial information, budgets, projections, etc. as requested by the BANA.
- Receipt and review of the Borrower's investment policy, guidelines and permitted investments, which must be satisfactory to BANA.
- Certified copies of relevant ordinances, resolutions, agreements, contracts, certificates, etc.
- Bring down of representations and warranties, receipt of statement as to compliance with covenants and of no Event of Default and any other event that, with the passage of time, the giving of notice, or both, would result in an Event of Default.
- Other conditions precedent as are customary for a financing of the type contemplated, including payment of fees at closing.
- Receipt of Legal Opinion covering authority, validity, binding effect and enforceability of the documents.

CONDITIONS PRECEDENT TO ALL EXTENSIONS OF CREDIT:

Usual and customary for transactions of this type including, without limitation, the following:

- All of the representations and warranties in the loan documentation shall be true and correct as of the date of such extension of credit
- No event of default under the Facility or inchoate default shall have occurred and be continuing, or would result from such extension of credit

REPRESENTATIONS AND WARRANTIES:

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and

SUMMARY OF TERMS AND CONDITIONS

PROPOSAL FOR A TAX-EXEMPT & TAXABLE LOANS

completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; (vi) no material litigation; (vii) no default; (viii) ownership of property; (ix) insurance matters; (x) environmental matters; (xi) tax matters; (xii) ERISA compliance; (xiii) identification of subsidiaries, equity interests and loan parties; (xiv) use of proceeds and not engaging in business of purchasing/carrying margin stock; (xv) status under Investment Company Act; (xvi) accuracy of disclosure; (xvii) no sovereign immunity; (xviii) no sanctions violations; (xix) compliance with laws; (xx) bankruptcy and insolvency; and (xxi) no proposed legal changes which may adversely affect the Facility, the obligations of the Borrower thereunder or the transaction.

SECURITY:

Facilities will be secured by a gross revenue pledge of Albany Medical College on parity with all senior debt obligations with Bank of America Merrill Lynch and a negative pledge agreement consistent with existing loan agreements documented with Bank of America, N.A. to include, but not be limited to a negative pledge of the assets of Albany Medical Center, Albany Medical Center Hospital and Albany Medical College.

COVENANTS:

Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements, forecasts, regulatory filings, compliance certificates and other information, (ii) notices of default, material litigation, material governmental proceedings or investigations, ERISA and environmental proceedings and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; (v) maintenance of properties and insurance; (vi) compliance with laws; (vii) maintenance of books and records; (viii) inspection rights; (ix) use of proceeds; (x) more restrictive financial covenants in other existing or future credit facilities deemed incorporated in the Facility; (xi) limitations on (A) liens, investments (including loans and advances), and indebtedness [of subsidiaries], (B) mergers and other fundamental changes, (C) sales and other dispositions of property or assets, (D) dividends and other distributions, (E) changes in the nature of business, (F) transactions with affiliates, (G) burdensome agreements, (H) use of proceeds, and (I) capital expenditures; (xii) subordination of swap termination payments and restrictions on collateralization of swap obligations; and (xiii) waiver of sovereign immunity.

FINANCIAL COVENANTS:

Financial covenants in form and content, consistent with current requirements under other credit agreements with Bank of America, NA, to include, but will not limited to, the following:

- Minimum 1.50x Debt Service Coverage ratio (DSC) on the Borrower, measured quarterly on a rolling 4-quarter basis.
- Minimum 1.40x Debt Service Coverage ratio (DSC) on combined Borrower, Guarantor, and Albany Medical College, measured quarterly on a rolling 4-quarter basis.
- Minimum 30 Days Cash on Hand (DCOH), on combined Borrower, Guarantor, and Albany Medical College, This shall be measured semi-annually at the end of the second and fourth fiscal quarters.

REPORTING REQUIREMENTS:

The Borrower and the Guarantor shall provide financial information and statements in form and content consistent with current requirements under other credit agreements with Bank of America, NA, to include, but not limited to, the following:

SUMMARY OF TERMS AND CONDITIONS

- Annual CPA audited consolidated and consolidating financial statements due within 150 days of the fiscal year-end.
- Quarterly internally prepared financial statements, including year-to-date variance to budget due within 60 days of each fiscal quarter to include operating statistics.
- Each financial statement shall be accompanied by a covenant compliance certificate prepared by an authorized officer of the Borrower that includes computation of all financial covenants to be tested as of such date.
- Annual operating budget within 30 days after the commencement of the Fiscal Year to which it relates.
- Other items as may be reasonably requested from time to time.

EVENTS OF DEFAULT: Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the loan documentation; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) cross-default to other indebtedness; (v) voluntary or involuntary bankruptcy, insolvency, debt moratorium, etc.; (vi) inability to pay debts; (vii) monetary judgment defaults in an amount to be agreed and material non-monetary judgment defaults; (viii) customary ERISA defaults; (ix) actual or asserted invalidity or impairment of any loan documentation.

ASSIGNMENT/PARTICIPATIONS:
Assignment and Participations: BANA will be permitted to assign this loan at any time at its sole discretion and is permitted to sell participations with voting rights limited to significant matters such as changes in amount, rate, maturity date and releases of all or substantially all of the value of any collateral or guaranty, without the consent of the Borrower.

WAIVERS AND AMENDMENTS:

CHOICE OF LAW / JURY TRIAL / VENUE:
 Amendments and waivers of the provisions of the Facility and other definitive credit documentation will require the approval of BANA.

(a) Governing Law: This Proposed Term Sheet, the Facility's and any other documents to which the Bank shall become a party will be governed by the laws of the State of New York.

(b) Jury Trial: The Borrower agrees to waive a jury trial in any proceeding against BANA.

(c) Venue: Any disputes or legal actions arising out of the Facility shall be brought in the courts of New York, and each party, to the fullest extent permitted by law, shall consent to the jurisdiction of such courts.

INDEMNIFICATION: The Borrower will indemnify and hold harmless BANA and its respective affiliates and its partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Facility, the Borrower's use of loan proceeds or the commitment including, but not limited to, reasonable attorneys' fees (including the allocated cost of internal counsel) and settlement costs. This indemnification shall survive and continue for the benefit of all such persons or entities.

SUMMARY OF TERMS AND CONDITIONS

CONTACTS:**Bank of America, N. A. (BANA):**

Name:	Jared Smith	Jeffrey Castillo
Title:	SVP, Senior Credit Products Officer	VP, Senior Client Manager
Address:	10 Fountain Plaza, 9 th Fl Buffalo, NY 14202	One Bryant Park New York, NY 10036
Telephone:	(716) 847-4433	(646) 743-08888
Facsimile:	(617) 310-2574	
email:	jared.a.smith@baml.com	jeffrey.castillo@baml.com

Lender's Counsel: Harris Beach, PLLC

Name: Hal Patrick
 Address: 677 Broadway, Suite 1100
 Albany, NY 12207
 Telephone: (518) 427-9700
 Facsimile:
 email: hpatrick@harrisbeach.com

PROPOSED TERMS AND CONDITIONS SUBJECT TO CERTAIN EVENTS:

*This Summary of Terms is intended only as an outline of certain of the material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. **This Summary of Terms is not a commitment.** It represents a willingness on the part of BANA to seek approval to provide the commitment indicated herein and consummate a transaction based upon the terms and conditions outlined in this term sheet and is subject to:*

- Final credit approval (see "Credit Process Timeframe" below),
- Absence of any material adverse change in the financial condition, operations or prospects of the Borrower or the Guarantor, or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of BANA,
- Such additional due diligence as BANA may require, and
- Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

CREDIT PROCESS TIMEFRAME:

The credit process will take 14 business days from the point at which BANA is officially awarded the transaction and has in its possession all materials necessary to undertake a full credit analysis.

SUMMARY OF TERMS AND CONDITIONS

RESCISSION BY THE BANK:

BANA reserves the right to unilaterally rescind part or all of the proposed terms and conditions herein at any time prior to its acceptance, which can only be effected by signing and returning this document to BANA.

EXPIRATION OF TERMS AND CONDITIONS:

Unless rescinded earlier, consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire 30 days from the date hereof.

BANA reserves the right to terminate, reduce or otherwise amend its commitment if the subject transaction is not closed within 90 days of the receipt of a signed term sheet.

FUTURE MODIFICATIONS:

The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Summary of Preliminary Terms and Conditions and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was initially described in the RFP or in conjunction therewith, or (iv) the proposed financing does not close within 90 days of the receipt by BANA of a signed term sheet.

CONFIDENTIALITY:

This Summary of Preliminary Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Summary of Preliminary Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.

NO ADVISOR OR FIDUCIARY ROLE:

This proposal is submitted in response to your Request for Proposal dated June 20, 2017. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications and/or bank exemption under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of Section 15B of the Securities Exchange Act of 1934 and the Rules. In connection with this proposal and the transactions described herein, we are not acting as a financial advisor or municipal advisor to you or any other person, and are not subject to any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors in connection with your evaluation of this proposal and the transactions described herein.

SUMMARY OF TERMS AND CONDITIONS

EXHIBIT A

PROPOSAL FOR A TAX-EXEMPT & TAXABLE LOANS

Amortization		2017A	2017B
	12/31/17	-	480,000
	12/31/18	-	1,460,000
	12/31/19	-	1,500,000
	12/31/20	1,230,000	315,000
	12/31/21	1,580,000	-
	12/31/22	1,620,000	-
	12/31/23	1,665,000	-
	12/31/24	1,705,000	-
	12/31/25	1,750,000	-
	12/31/26	1,795,000	-
	12/31/27	1,855,000	-

SEQR RESOLUTION

ALBANY MEDICAL CENTER HOSPITAL 2017 REFUNDING PROJECT

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF ALBANY MEDICAL CENTER HOSPITAL IS A “TYPE II ACTION” AND THAT NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Common Council of City of Albany, New York (the “City”) adopted a resolution

on March 15, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of City of Albany Capital Resource Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer; and

WHEREAS, in April, 2010, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Issuer as a public instrumentality of the City; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, in September, 2017, Albany Medical Center Hospital, a New York not-for-profit corporation (the “Institution”) has submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005A in the original aggregate principal amount of \$10,000,000 (the “Series 2005A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005B in the original aggregate principal amount of \$3,000,000 (the “Series 2005B Bonds” and collectively with the Series 2005A Bonds, the “Series 2005 Bonds”);

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$5,855,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$1,000,000 (the “Series 2006B Bonds” and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”);

(C) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$6,645,000 (the “Series 2007A Bonds”), its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$2,335,000 (the “Series 2007B Bonds”), its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007C in the original aggregate principal amount of \$13,160,000 (the “Series 2007C Bonds”) and its Taxable Multi-

Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007D in the aggregate principal amount of \$1,465,000 (the “Series 2007D Bonds” and collectively with the Series 2007A Bonds, the Series 2007B Bonds and the Series 2007C Bonds, the “Series 2007 Bonds”) (the Series 2005 Bonds, the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds),

which Prior Bonds provided financing for previously completed capital projects located at 25 and 60 Hackett Boulevard and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative, office and garage facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to equal \$28,925,000 and in any event not to exceed \$32,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the board of directors of the Issuer on September 21, 2017 (the “Inducement Resolution”), the Chief Executive Officer of the Issuer (A) caused notice of the public hearings of the Issuer (the “Public Hearings”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Incorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 26, 2017 in Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (B) caused notice of the Public Hearings to be posted on September 25, 2017 at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearings to be mailed on September 25, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (D) conducted the Public Hearings on October 10, 2017 at 5:30 o’clock p.m. local time and on October 11, 2017 at 12:00 noon, local time at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearings (the “Public Hearing Reports”) which fairly summarized the views presented at such Public Hearings and caused copies of said Public Hearing Reports to be made available to the members of the board of directors of the Issuer and to the Mayor of City of Albany, New York (the “Mayor”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Issuer must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the Application in order to make an determination as to the potential environmental significance of the Project; and

WHEREAS, the Project appears to constitute a “Type II action” (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Issuer has received copies of, and has reviewed, the Application submitted to the Issuer by the Institution with respect to the Project and other documents received by the Issuer (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Institution to the Issuer at this meeting, and based further upon the Issuer’s knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Project: The Project consists of the refinancing of existing debt.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Project:

(A) Pursuant to Section 617.5(c)(23) of the Regulations, the Project is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. The Chief Executive Officer of the Issuer is hereby directed to file a copy of this Resolution with respect to the Project in the office of the Issuer.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer, including the Resolution contained therein, held on October 19, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Board of Directors of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Board of Directors of the Issuer 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ____ day of October, 2017.

(Assistant) Secretary

(SEAL)

BOND RESOLUTION

ALBANY MEDICAL CENTER HOSPITAL 2017 REFUNDING PROJECT

A regular meeting of City of Albany Capital Resource Corporation (the “Issuer”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY CITY OF ALBANY CAPITAL RESOURCE CORPORATION OF ITS REVENUE REFUNDING BONDS (ALBANY MEDICAL CENTER HOSPITAL PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$32,500,000 AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Common Council of the City of Albany, New York (the “City”) adopted a resolution on

March 15, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of the City of Albany Capital Resource Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer, who serve at the pleasure of the Common Council of the City; and

WHEREAS, in April, 2010, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Issuer as a public instrumentality of the City; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, in September, 2017, Albany Medical Center Hospital, a New York not-for-profit corporation (the “Institution”) has submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Project”) for the benefit of the Institution, said Project consisting of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “IDA”):

(A) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005A in the original aggregate principal amount of \$10,000,000 (the “Series 2005A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2005B in the original aggregate principal amount of \$3,000,000 (the “Series 2005B Bonds” and collectively with the Series 2005A Bonds, the “Series 2005 Bonds”);

(B) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006A in the original aggregate principal amount of \$5,855,000 (the “Series 2006A Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2006B in the original aggregate principal amount of \$1,000,000 (the “Series 2006B Bonds” and collectively with the Series 2006A Bonds, the “Series 2006 Bonds”);

(C) its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$6,645,000 (the “Series 2007A Bonds”), its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Project - Letter of Credit Secured), Series 2007B in the original aggregate principal amount of \$2,335,000 (the “Series 2007B Bonds”), its Tax-Exempt Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007C in the original

aggregate principal amount of \$13,160,000 (the “Series 2007C Bonds”) and its Taxable Multi-Mode Variable Rate Civic Facility Revenue Bonds (Albany Medical Center Hospital Project - Letter of Credit Secured), Series 2007D in the aggregate principal amount of \$1,465,000 (the “Series 2007D Bonds” and collectively with the Series 2007A Bonds, the Series 2007B Bonds and the Series 2007C Bonds, the “Series 2007 Bonds”) (the Series 2005 Bonds, the Series 2006 Bonds and the Series 2007 Bonds hereinafter collectively referred to as the “Prior Bonds),

which Prior Bonds provided financing for previously completed capital projects located at 25 and 60 Hackett Boulevard and 43 New Scotland Avenue in the City of Albany, New York (collectively, the “Prior Projects”), including but not limited to, medical, administrative, office and garage facilities and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to equal \$28,925,000 and in any event not to exceed \$32,500,000 (the “Obligations”); (C) the paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institutional and agreed upon by the Issuer; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the board of directors of the Issuer on September 21, 2017 (the “Inducement Resolution”), the Chief Executive Officer of the Issuer (A) caused notice of the public hearings of the Issuer (the “Public Hearings”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Incorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 26, 2017 in Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (B) caused notice of the Public Hearings to be posted on September 25, 2017 at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearings to be mailed on September 25, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (D) conducted the Public Hearings on October 10, 2017 at 5:30 o’clock p.m. local time and on October 11, 2017 at 12:00 noon, local time at the Issuer’s office located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearings (the “Public Hearing Reports”) which fairly summarized the views presented at such Public Hearings and caused copies of said Public Hearing Reports to be made available to the members of the board of directors of the Issuer and to the Mayor of City of Albany, New York (the “Mayor”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the board of directors of the Issuer on October 19, 2017 (the “SEQR Resolution”), the Issuer determined that the Project constituted a “Type II action” (as such quoted term is defined under SEQRA), and therefor that no further action with respect to the Project was required under SEQRA; and

WHEREAS, by certificate to be executed by the Mayor subsequent to this meeting (the “Public Approval”), the Mayor is expected to approve the issuance of the Obligations for purposes of Section 147(f) of the Code; and

WHEREAS, the Issuer now desires to authorize issuance of its Revenue Refunding Bonds (Albany Medical Center Hospital Project) in multiple series and in the aggregate principal amount of not to exceed \$32,500,000 (collectively, the “Series 2017 Bonds”) for the purpose of financing the portion of the costs of the Project consisting of the refunding of the Prior Bonds, delegating to the Chair of the Issuer authority to determine the final details of the Series 2017 Bonds (the “Bond Details”) once the negotiating and structuring of the Series 2017 Bonds are completed and the Institution has agreed to the Bond Details; and

WHEREAS, the Series 2017 Bonds will be issued pursuant to this Bond Resolution, a certificate of determination dated the Closing Date (as defined in the Bond Details) (the “Certificate of Determination”) executed by the Chair of the Issuer and certain bond purchase and disbursing agreements, each dated as of November 1, 2017 (collectively, the “Bond Purchase Agreement”) by and among the Issuer, the Institution, Bank of America, N.A., as disbursing agent (the “Disbursing Agent”) and Bank of America Public Capital Corp. and Bank of America, N.A., each as initial purchasers of the Series 2017 Bonds (collectively, the “Holder”); and

WHEREAS, prior to or simultaneously with the issuance of the Series 2017 Bonds, the Issuer and the Institution will execute and deliver certain loan agreements, each dated as of November 1, 2017 (collectively, the “Loan Agreement”) by and between the Issuer, as lender, and the Institution, as borrower, pursuant to the terms of which Loan Agreement (A) the Issuer will agree (1) to issue the Series 2017 Bonds, and (2) to make certain loans to the Institution of the proceeds of the Series 2017 Bonds (collectively, the “Loan”) for the purpose of assisting in financing the Project, and (B) in consideration of the Loan, the Institution will agree (1) to cause the Project to be undertaken and completed, (2) to use the proceeds of the Loan disbursed under the Bond Purchase Agreement to pay (or reimburse the Institution for the payment of) the costs of the Project, and (3) to make payments sufficient in amount to pay when due all amounts due with respect to the Series 2017 Bonds (the “Loan Payments”) to or upon the order of the Issuer in repayment of the Loan, which Loan Payments shall include amounts equal to the Debt Service Payments due on the Series 2017 Bonds; and

WHEREAS, pursuant to the Bond Purchase Agreement, the Disbursing Agent will disburse the proceeds of the Series 2017A Bond to the Institution from time to time to pay the costs of the Project, but only upon satisfaction of the requirements for making such disbursements set forth in the Bond Purchase Agreement and in the Loan Agreement; and

WHEREAS, as security for the Series 2017A Bond, the Issuer will execute and deliver to the Holder certain pledges and assignments, each dated as of November 1, 2017 (collectively, the “Pledge and Assignment”) from the Issuer to the Holder, and acknowledged by the Institution, which Pledge and Assignment will assign to the Holder certain of the Issuer’s rights under the Loan Agreement; and

WHEREAS, pursuant to the Pledge and Assignment, basic Loan Payments made by the Institution under the Loan Agreement are to be paid directly to the Trustee or the Holder; and

WHEREAS, the (A) Institution’s obligation (1) to make all Loan Payments under the Loan Agreement and (2) to perform all obligations related thereto and (B) Issuer’s obligation to repay the Series 2017 Bonds may be further secured by a guaranty (the “Guaranty”) from the Institution to the Holder; and

WHEREAS, the Holder will furnish to the Issuer a letter (the “Investment Letter”) certifying that the Holder is an institutional investor which is purchasing the Series 2017 Bonds for the purpose of investment and not with a view to, or for resale in connection with, any distribution of the Series 2017 Bonds or any part thereof; and

WHEREAS, the Series 2017 Bonds will be further secured, negotiated and structured as provided in the Certificate(s) of Determination; and

WHEREAS, in connection with the negotiating and structuring of some or all of the series of the Series 2017 Bonds, (A) the Issuer may enter into (or accept) one or more agreements with one or more entities chosen by the Institution to locate the initial and/or subsequent purchasers of the Series 2017 Bonds, each of which entities may either act as agent to market the Series 2017 Bonds or may act as a placement agent or an underwriter to guarantee the marketing of the Series 2017 Bonds (each such entity being hereinafter referred to as a “Bond Marketer”); (B) the Issuer may enter into one or more investment banking agreements (each, an “Investment Banking Agreement”) by and among the related initial purchaser(s) of the Series 2017 Bonds, the Issuer and the Institution; (C) the Institution may provide indemnification to the Issuer and the related initial purchaser(s) of the Series 2017 Bonds relating to the issuance and sale of the related Series 2017 Bonds pursuant to one or more letters of representation (each, a “Letter of Representation”) by and among the Institution, the Issuer and the related initial purchaser(s) of the Series 2017 Bonds; (D) the related Bond Marketer may utilize a preliminary official statement or other preliminary offering document (the “Preliminary Offering Document”) and a final official statement or other preliminary final document (the “Final Offering Document”) in connection with the initial and/or subsequent offering of some or all of the Series 2017 Bonds; and (E) the related Bond Marketer may also obtain a rating of some or all of the Series 2017 Bonds from one or more securities rating agencies (each such rating agency that provides a rating of the Series 2017 Bonds, a “Rating Agency”); and

WHEREAS, to assure compliance with the continuing disclosure requirements imposed by the Securities and Exchange Commission, the Institution may execute and deliver to the related Bond Marketer one or more continuing disclosure agreements (each, a “Continuing Disclosure Agreement”) relating to some or all of the Series 2017 Bonds; and

WHEREAS, some or all of the Series 2017 Bonds may be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for such Series 2017 Bonds, and, to comply with the requirements of the Depository and the Issuer will execute and deliver to the Depository a letter of representations (the “Depository Letter”) relating to such Series 2017 Bonds; and

WHEREAS, with respect to any portion of the Series 2017 Bonds intended to be issued as federally tax-exempt obligations (the “Tax-Exempt Bonds”), to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute one or more arbitrage certificates dated the date of delivery of the related Tax- Exempt Bonds (each, an “Arbitrage Certificate”) relating to certain requirements set forth in Section 148 of the Code relating to such Tax- Exempt Bonds, (2) execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to such Tax- Exempt Bonds (each, an “Information Return”) pursuant to Section 149(e) of the Code, and (3) file the Information Return(s) with the Internal Revenue Service, (B) the Institution will execute one or more tax regulatory agreements dated the date of delivery of the related Tax- Exempt Bonds (each, a “Tax Regulatory Agreement”) relating to the requirements in Sections 145 through 150 of the Code applicable to such Tax- Exempt Bonds and (C) either the Bond Marketer or the initial purchasers of the related Tax- Exempt Bonds will execute a letter (each, an “Issue Price Letter”) confirming the issue price of such Tax- Exempt Bonds for purposes of Section 148 of the Code; and

WHEREAS, the Issuer now desires to (A) authorize the issuance of the Series 2017 Bonds for the purpose of financing a portion of the costs of the Project; (B) delegate to the Chair, Vice Chair or Chief Executive Officer of the Issuer (the “Authorizing Officer”) authority to deem as final any marketing or offering document to be used by any Bond Marketer in connection with the marketing of any or all of the Series 2017 Bonds; (C) delegate to the Chair, Vice Chair or Chief Executive Officer of the Issuer (the “Authorizing Officer”) authority to determine the final details of any of the Series 2017 Bonds (the “Bond Details”) once the negotiating and structuring of such Series 2017 Bonds is completed and the Institution has agreed to the Bond Details, which Bond Details so determined may include but not be limited to the following: (1) the aggregate principal amount of Series 2017 Bonds to be issued; (2) the number of series thereof; and (3) for each series of the Series 2017 Bonds (each, a “Series”), (a) the authorized principal amount of such Series, (b) whether such Series shall include subseries of such Series (each, a “Subseries”), (c) the designation of such Series and any Subseries, (d) the determination of whether the interest on such bonds of such Series and/or Subseries is includible in gross income for federal tax purposes (hereinafter referred to as the “Taxable Bonds”) or excludible from gross income for federal tax purposes (hereinafter referred to as the “Tax-Exempt Bonds”), and the terms providing for the conversion of bonds of such Series and/or Subseries from Taxable Bonds to Tax-Exempt Bonds, (e) the purpose or purposes for which such Series is being issued, which shall be limited to (i) payment of the costs of the Project, (ii) payment of the costs of issuance of such Series, (iii) making a deposit to a debt service reserve fund securing such Series, if any, which may include interest thereon, (iv) funding or refunding of other debt of the Issuer, which may include interest thereon, all or a portion of the proceeds of which were applied to making a loan to the Institution, and (v) exchanging bonds of such Series for bonds, notes or other evidences of indebtedness of the Institution or of the Issuer issued on behalf of the Institution, (f) whether a debt service reserve fund is established securing such Series, the debt service reserve fund requirement relating to same, the terms and conditions for such debt service reserve fund and the terms and conditions upon which a reserve fund facility may be used to fund all or a portion of the debt service reserve fund, (g) the date or dates, the maturity date or dates and principal amounts of each maturity of the bonds of such Series and/or Subseries, the amount and date of each sinking fund installment, if any, and which bonds of such Series and/or Subseries are serial bonds or term bonds, if any, and the record date or record dates of the bonds of such Series and/or Subseries, (h) the interest rate or rates of the bonds of such Series and/or Subseries, the date from which interest on the bonds of such Series and/or Subseries shall accrue, the dates on which interest on the bonds of such Series and/or Subseries shall be payable, (i) the denomination or denominations of and the manner of numbering and lettering the bonds of such Series and/or Subseries, (j) the trustee, bond registrar and paying agent or paying agents for such Series and/or Subseries and the place or places of payment of the principal, sinking fund installments, if any, or redemption price of and interest on the bonds of such Series and/or Subseries, (k) the redemption price or purchase in lieu of redemption price or redemption prices or purchase in lieu of redemption prices, if any, and the redemption or purchase in lieu of redemption terms, if any, for the bonds of such Series and/or Subseries, (l) provisions for the sale or exchange of the bonds of such Series and/or Subseries and for the delivery thereof, (m) the form of the bonds of such Series and/or Subseries and the form of the trustee’s certificate of authentication thereon, and whether any bonds of such Series and/or Subseries are to be issued as book entry bonds and the depository therefor, (n) if bonds of such Series and/or Subseries are to be exchanged for bonds, notes or other evidence of indebtedness of the Institution or the Issuer, the provisions regarding such exchange, (o) directions for the application of the proceeds of the bonds of such Series and/or Subseries, (p) the trustee for such Series and/or Subseries, and (q) any other provisions deemed advisable by the Authorizing Officer not in conflict with the provisions of this Bond Resolution; and (D) authorize execution and delivery by the Issuer of various documents relating to the issuance of the Series 2017 Bonds, including but not limited to the hereinafter defined Issuer Documents;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION AS FOLLOWS:

Section 1. The Issuer hereby finds and determines that:

(A) By virtue of the Certificate of Incorporation and the Enabling Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Enabling Act and to exercise all powers granted to it under the Enabling Act; and

(B) The financing and/or refinancing of the Project and the financing thereof with the proceeds of the Loan to the Institution will relieve and reduce unemployment, promote and provide for additional and maximum employment and better and maintain job opportunities, and thereby lessen the burdens of government; and

(C) It is desirable and in the public interest for the Issuer to issue and sell its Series 2017 Bonds upon the terms and conditions determined by the Chair or Chief Executive Officer of the Issuer once the negotiating and structuring of the Series 2017 Bonds is completed and the Institution has agreed to the Bond Details; and

(D) Neither the members, directors or officers of the Issuer, nor any person executing the Series 2017 Bonds, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. Further, that the Series 2017 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or City of Albany, New York or any political subdivision thereof, and neither the State of New York, or City of Albany, New York nor any political subdivision thereof shall be liable thereon; and

(E) The Finance Committee of the Issuer has recommended the Issuer to consider this Bond Resolution authorizing the issuance of the Series 2017 Bonds.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: I (A) issue the Series 2017 Bonds on the terms and conditions set forth in the Bond Purchase Agreement, (B) sell the Series 2017 Bonds to the Holder pursuant to the terms set forth in the Bond Purchase Agreement, (C) use the proceeds of the Series 2017 Bonds to make the Loan to the Institution for the purpose of financing a portion of the costs of issuance of the Series 2017 Bonds and a portion of the costs of the Project, (D) secure the Series 2017 Bonds by assigning to the Holder pursuant to the Pledge and Assignment, certain of the Issuer's rights under the Loan Agreement, including the right to collect and receive certain amounts payable thereunder, (E) further secure the Series 2017 Bonds as provided in the final terms of the Series 2017 Bonds, as negotiated and structured by the Bond Marketer, (F) execute the Arbitrage Certificate and the Information Return with respect to the Series 2017 Bonds, and (G) file the Information Return with the IRS OR II (A) authorize the use of, and authorize the Chair, Vice Chair or Chief Executive Officer of the Issuer the authority to determine the form and substance of, and deem final, any Preliminary Offering Document and any Final Offering Document to be used by any Bond Marketer in connection with the initial offering and/or any subsequent offering of any of the Series 2017 Bonds, (B) authorize the Chair, Vice Chair or Chief Executive Officer of the Issuer the authority to (1) execute and deliver on behalf of the Issuer any Bond Purchase Agreement related to any of the Series 2017 Bonds and (2) determine, on behalf of the Issuer, from time to time the Bond Details relating to the Series 2017 Bonds, (C) issue the Series 2017 Bonds from time to time on the terms and conditions set forth in the Bond Purchase Agreement, the related Certificate of Determination and any Investment Banking Agreement related to such Series 2017 Bonds, (D) sell any or all of the Series 2017 Bonds to the initial and/or subsequent purchasers thereof pursuant to the terms set forth in the Bond Purchase Agreement, the related Certificate of Determination and any related Investment Banking Agreement, (E) use the proceeds of the Series 2017

Bonds to make the Loan to the Institution for the purpose of financing a portion of the costs of issuance of the Series 2017 Bonds and a portion of the costs of the Project, (F) secure the Series 2017 Bonds by assigning to the Holder pursuant to the Pledge and Assignment certain of the Issuer's rights under the Loan Agreement, including the right to collect and receive certain amounts payable thereunder, (G) further secure the Series 2017 Bonds as provided in the final terms of the Series 2017 Bonds, as negotiated and structured by the Bond Marketer, (H) execute from time to time the Arbitrage Certificate(s) and the Information Return(s) with respect to the Series 2017 Bonds, and (I) file the Information Return(s) with the IRS.

Section 3. The Issuer hereby delegates to the Chair or Vice Chair of the Issuer the power to approve, on behalf of the Issuer, the form and substance of the Bond Purchase Agreement(s), the Loan Agreement(s), the Series 2017 Bonds, the Pledge and Assignment, the Investment Banking Agreement(s), the Arbitrage Certificate(s), the Information Return(s), the Depository Letter(s) and any documents necessary and incidental thereto including, but not limited to, any documents authorized by any Certificate of Determination and approved by counsel to the Issuer (hereinafter collectively called the "Issuer Documents").

Section 4. Subject to receipt by the Issuer of a certificate executed from the Mayor indicating that the Mayor has approved the issuance of the Series 2017 Bonds pursuant to, and solely for the purposes of, Section 147(f) of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver to the Holder the Series 2017 Bonds in the aggregate principal amount of not to exceed \$32,500,000 or so much as necessary to finance the Costs of the Project, in the amount, in the form and in the amount and containing the other provisions determined by the Chair or Vice Chair of the Issuer in the Certificate of Determination, and the Institution is hereby authorized to deliver said Series 2017 Bonds to the purchasers thereof against receipt of the purchase price thereof, all pursuant to the Enabling Act and in accordance with the provisions of the Bond Purchase Agreement, this Bond Resolution, the Certificate of Determination and any Investment Banking Agreement, provided that:

(A) The Series 2017 Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 4 shall (1) be issued, executed and delivered at such time as the Chair or Vice Chair of the Issuer shall determine, and (2) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Series 2017 Bonds, the Bond Purchase Agreement or the Investment Banking Agreement and the Certificate of Determination, or as are hereinafter approved by the Chair or Vice Chair of the Issuer in accordance with Section 5 hereof, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Bond Resolution.

(B) The Series 2017 Bonds shall be issued solely for the purpose of providing funds to finance (1) the costs of making the Loan for the purpose of financing a portion of the costs of the Project as described in the Issuer Documents, and (2) a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the Loan and the Project and incidental to the issuance of the Series 2017 Bonds.

(C) Neither the members, directors nor officers of the Issuer, nor any person executing the Series 2017 Bonds or any of the Financing Documents (as hereinafter defined) on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2017 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or City of Albany, New York or any political subdivision thereof (other than the Issuer), and neither the State of New York, or

City of Albany, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

(D) The Series 2017 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived from the repayment of the Loan or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the other security pledged to the payment thereof.

(E) With respect to the Tax-Exempt Bonds, the issuance of the Tax-Exempt Bonds is subject to receipt by the Issuer of the certificate from the Mayor indicating that the Mayor has approved the issuance of such Tax-Exempt Bonds pursuant to, and solely for the purposes of, Section 147(f) of the Code.

(F) Notwithstanding any other provision of this Bond Resolution, the Issuer covenants that it will make no use of the proceeds of the Series 2017 Bonds or of any other funds of the Issuer (other than the Issuer's administrative fees) which, if said use had been reasonably expected on the date of issuance of the Series 2017 Bonds, would have caused any of the Series 2017 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 5. (A) The Chair or Vice Chair of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Issuer Documents and the other documents related thereto (collectively with the Issuer Documents, the "Financing Documents"), and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof approved by the Chair or Vice Chair of the Issuer, with such changes, variations, omissions and insertions as the Chair or Vice Chair of the Issuer shall approve, the execution thereof by the Chair or Vice Chair of the Issuer to constitute conclusive evidence of such approval.

(B) The Chair or Vice Chair of the Issuer is hereby further authorized, on behalf of the Issuer, to designate any additional Authorized Representatives of the Issuer (as defined in and pursuant to the Loan Agreement).

Section 6. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Bond Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer.

Section 7. This Bond Resolution shall take effect immediately and the Series 2017 Bonds are hereby ordered to be issued in accordance with this Bond Resolution.

The question of the adoption of the foregoing Bond Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Bond Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer, including the Resolution contained therein, held on August 14, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Board of Directors of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Board of Directors of the Issuer 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ____ day of October, 2017.

(Assistant) Secretary

(SEAL)

MEMO

TO: City of Albany Capital Resource Corporation Board of Directors
FROM: Mark Opalka, CFO
RE: City of Albany CRC Proposed Draft 2018 Budget
DATE: October 19, 2017

Based on current projections we anticipate the ending cash balance to be \$299,103 at December 31, 2017.

The agency is budgeting a deficit of approximately \$166,350 in the 2018 budget. Below is a highlight of the changes contained in the 2018 budget compared to last year's budget.

Revenues for the Corporation are budgeted to be approximately \$80,040 in 2018. To date, there are no projects that are expected to close in 2018. The fee revenue budgeted for 2018 was determined using a weighted average formula. Interest expense is budgeted to be lower due to lower projected monthly balances compared to the previous year.

Expenses for the Corporation are budgeted to be approximately \$246,390 in 2018. The budgeted line items that have changed in 2018 is that miscellaneous expenses have decreased by \$2,139, \$40,087 is budgeted for the CAIDA agreement, and \$200,000 has been allocated for strategic activities. The amount that was allocated to strategic activities was based on the Finance Committee's recommendation at the September meeting. The remaining budgeted expenses remain unchanged for 2017.

The projected ending cash balance of the CRC is projected to be \$134,257 at December 31, 2018 based on this proposed budget. This balance represents a reserve of approximately 2.89 years at the current level of operating expenses.

Albany Capital Resource Corporation
2018 Proposed Budget

	2017 APPROVED Budget	2017 YTD Actual	2017 Projected Aug - Dec	2017 Total	2017 YTD Variance to Budget	2018 PROPOSED Budget
REVENUE						
Fees ⁽¹⁾⁽²⁾	\$ 111,500	\$ 32,175	\$ -	\$ 32,175	\$ (79,325)	\$ 78,317
Interest	2,717	872	872	1,745	(972)	1,724
TOTAL REVENUE	\$ 114,217	\$ 33,047	\$ 872	\$ 33,920	\$ (80,297)	\$ 80,041
EXPENSES						
CAIDA Agreement	\$ 50,778	\$ -	\$ 14,466	\$ 14,466	\$ (36,312)	\$ 40,087
Audits	4,500	4,500	-	4,500	-	4,500
D & O Insurance	1,700	-	1,700	1,700	-	1,700
Miscellaneous	2,239	10	-	10	(2,229)	100
TOTAL EXPENSES	\$ 59,217	\$ 4,510	\$ 16,166	\$ 20,676	\$ (38,541)	\$ 46,387
Surplus/(Deficit) before Other Expenses	\$ 55,000	\$ 28,537	\$ (15,294)	\$ 13,244	\$ (41,756)	\$ 33,654
OTHER EXPENSES						
Strategic Activities	\$ 55,000	\$ 250,000	\$ 55,000	\$ 305,000	\$ 250,000	\$ 200,000
TOTAL OTHER EXPENSES	\$ 55,000	\$ 250,000	\$ 55,000	\$ 305,000	\$ 250,000	\$ 200,000
Surplus/(Deficit)	\$ -	\$ (221,463)	\$ (70,294)	\$ (291,756)	\$ (291,756)	\$ (166,346) ⁽¹⁾

*** Other expenses are non recurring expenses that are a strategic deployment of agency's cash balance.

Closed Projects	Project Amount	2017 Fee Collected
Albany Law School	\$ 12,270,000	\$ 30,675
	-	-
Total	\$ 12,270,000	\$ 30,675

2017 Estimated Project Closings	Estimated Project Amount	Estimated 2017 Fee
	\$ -	\$ -
	-	-
Total	\$ -	\$ -

2018 Estimated Closings	Estimated Project Amount	Estimated 2018 Fees
2018 Estimated Closings	7,681,700	\$ 76,817
	-	-
Total	\$ 7,681,700	\$ 76,817

Notes:

(1) YTD projected ending cash balance at December 31, 2018 is projected to be \$134,257. This represents a reserve of approximately 2.89 years at current projected operating level.

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION
2018 BUDGET APPROVAL RESOLUTION**

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

**RESOLUTION APPROVING THE 2018 BUDGET OF THE CITY OF ALBANY
CAPITAL RESOURCE CORPORATION.**

WHEREAS, the Corporation is authorized and empowered by the provisions of Section 1411 of the New York State Not-For-Profit Corporation Law (the “NFPCL”) to take steps to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, instruct or train individuals to improve or develop their capabilities for such jobs, carry on scientific research for the purpose of aiding a community or geographical area by attracting new industry

to the community or area or by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, under the NFPCL and the Corporation’s certificate of incorporation the Corporation has proposed a budget for its fiscal year commencing January 1, 2018 (the “2018 Budget”); and

WHEREAS, the members of the Corporation desire to approve the 2018 Budget;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Corporation hereby approves the 2018 Budget as presented to this meeting.

Section 2. The Corporation hereby authorizes the Chair, the CEO and the CFO to take all steps necessary to implement the 2018 Budget.

Section 3. All action taken by the CEO and the CFO of the Corporation in connection with the preparation and adoption of the 2018 Budget prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Corporation”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Corporation held on October 19, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation this 19th day of October, 2017.

(Assistant) Secretary

(SEAL)



October 5, 2017

To The Board of Directors
City of Albany Capital Resource Corporation,
a Component Unit of the City of Albany
21 Lodge Street
Albany, NY 12207

The following represents our understanding of the services we will provide the City of Albany Capital Resource Corporation, a Component Unit of the City of Albany.

You have requested that we audit the financial statements of the City of Albany Capital Resource Corporation, a Component Unit of the City of Albany (the Corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

Auditor Responsibilities

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*, and/or any state or regulatory audit requirements.

In making our risk assessments, we consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Corporation's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the Corporation from whom we determine it necessary to obtain audit evidence.
- d. For including the auditors' report in any document containing financial statements that indicates that such financial statements have been audited by the Corporation's auditor;
- e. For identifying and ensuring that the Corporation complies with the laws and regulations applicable to its activities;
- f. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole; and

- g. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

As part of our audit process, we will request from management and those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Corporation's financial statements. Our report will be addressed to the governing body of the Corporation. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

With respect to any nonattest services we perform, such as drafting of the financial statements, the Corporation's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing, and Fees

In connection with this engagement, we may communicate with you or others via e-mail. As e-mails can be intercepted, disclosed, used, and/or otherwise communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot ensure that e-mails from us will be properly delivered and read only by the addressee. Therefore, we disclaim and waive any liability for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage arising from the use of e-mail, including any punitive, consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

Katharine K. Doran, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Teal, Becker & Chiaramonte, CPAs, P.C.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit reports.

Our fees for the year ending December 31, 2017 will be \$4,500 and are based on our standard hourly rates plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the skill required. Interim billings will be submitted as work progresses and as expenses are incurred and are payable upon presentation of our invoices. Interest of 1.5% per month will be charged on late payments over 45 days. The above fees are based on anticipated cooperation from your personnel and the assumptions that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditors' report to the date the financial statements are issued.

It is our policy to keep records related to this engagement for seven years. However, the Firm does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven year period, the Firm shall be free to destroy our records related to this engagement.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the Corporation's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Teal, Becker & Chiamonte, CPAs, P.C. and constitutes confidential information. However, we may be requested to make certain audit documentation available by law or regulation, or to peer reviewers. If requested, such access to audit documentation will be provided under the supervision of Teal, Becker & Chiamonte, CPAs, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation. We will mark all information as confidential and maintain control over the duplication of such information.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the enclosed copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,

TEAL, BECKER & CHIARAMONTE, CPAs, P.C.



Katharine K. Doran, CPA

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the **City of Albany Capital Resource Corporation, a Component Unit of the City of Albany** by:

Signature: _____

Title: _____

Date: _____

Number of bound copies of the financial statements needed: _____

Special mailing instructions for the bound copies of the financial statements: _____

Do you need an electronic copy of the financial statements? _____

Report on the Firm's System of Quality Control

September 8, 2017

To the Shareholders of
Teal, Becker & Chiamonte, CPA's, P.C.
And the Peer Review Committee of the
New York State Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Teal, Becker & Chiamonte, CPA's, P.C. (the firm) in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing an system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weakness in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As part of our review, we consider reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Teal, Becker & Chiamonte, CPA's, P.C. in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Teal, Becker & Chiamonte, CPA's, P.C. has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "Amato, Fox & Company, P.C.".

Amato, Fox & Company, P.C.

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION
APPROVAL RESOLUTION SELECTION OF ACCOUNTANTS – FY 12/2017**

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2017 at 5:30 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield, Esq.	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1017-

**RESOLUTION APPROVING THE RETAINING OF AN ACCOUNTING FIRM FOR
CONDUCTING THE 2017 FY AUDIT OF THE CITY OF ALBANY CAPITAL
RESOURCE CORPORATION.**

WHEREAS, the Corporation is authorized and empowered by the provisions of Section 1411 of the New York State Not-For-Profit Corporation Law (the “NFPCL”) to take steps to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, instruct or train individuals to improve or develop their capabilities for such jobs, carry on scientific research for the purpose of aiding a community or geographical area by attracting new industry

to the community or area or by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, the Corporation is required to conduct an annual independent audit for its financial statements for the year ended December 31, 2017 (the "2017 Audit"); and

WHEREAS, the Corporation staff has recommended retaining the services of Teal, Becker & Chiaramonte CPAs, P.C.;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Corporation hereby approves Teal, Becker & Chiaramonte CPAs, P.C. to perform the necessary professional services as outlined in the attached engagement letter to complete the audit of the financial statements as of and for the year ended December 31, 2017 at an estimated fee of \$4,500.00, plus out-of-pocket expenses.

Section 2. The Corporation hereby authorizes the Chair and CFO to take all steps necessary to implement this Resolution.

Section 3. All action taken by the staff of the Corporation in connection with the retaining of the accounting firm prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Capital Resource Corporation (the “Corporation”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Corporation held on October 19, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation this 19th day of October, 2017.

(Assistant) Secretary

(SEAL)