BY-LAWS

OF

CHEMUNG TOBACCO ASSET SECURITIZATION CORPORATION

AS

ADOPTED AND APPROVED

BY

THE BOARD OF DIRECTORS

AND

THE MEMBER

As amended May 25, 2010

BY-LAWS

OF

CHEMUNG TOBACCO ASSET SECURITIZATION CORPORATION

ARTICLE I - THE CORPORATION

SECTION 1. NAME.

The Corporation shall be known as "CHEMUNG TOBACCO ASSET SECURITIZATION CORPORATION".

SECTION 2. OFFICES.

The principal office of the Corporation shall be located in Chemung County, New York (the "County"). The Corporation may also have offices at such other places within the State of New York as the Board of Directors may from time to time determine or the activities of the Corporation may require.

SECTION 3. PURPOSES.

The Corporation shall have such purposes as are now or hereafter set forth in its Certificate of Incorporation.

ARTICLE II - MEMBERSHIP

SECTION 1. COMPOSITION OF MEMBERSHIP.

The sole member of the Corporation shall be the Chairman of the Legislature of Chemung County, New York, ex officio or his or her designee (the "Member"). The membership of the individual Member shall terminate upon the inauguration or appointment of his or her successor in such office, which successor in office shall thereupon become the Member.

SECTION 2. RIGHTS AND POWERS OF MEMBER.

The Member shall have and exercise all the rights and powers of corporate membership created by the laws of the State of New York, the Certificate of Incorporation or the By-laws of the Corporation.

SECTION 3. ANNUAL MEETING OF THE CORPORATION.

The Member shall hold an annual meeting of the Corporation, once during the first fiscal year of the Corporation's existence and thereafter within six months after the end of each fiscal year, in all cases at a convenient time and place designated by the Member. At the annual meeting, the Member shall receive the annual report if and to the extent required under Section 4 of these By-Laws, and transact such other business as may properly come before the meeting, including the appointment of Directors when appropriate.

SECTION 4. ANNUAL REPORT TO MEMBER.

At the annual meeting of the Corporation, except for the annual meeting during the first fiscal year of the Corporation's existence, the President and the Treasurer of the Corporation shall present an annual report showing in appropriate detail the following information:

(a) A complete verified or audited financial statement of the Corporation for the fiscal year immediately preceding the date of the report showing the assets and liabilities, principal changes in assets and liabilities, revenue, receipts, expenses and disbursements of the Corporation; and

(b) A summary of the activities of the Corporation during the preceding year.

The annual report shall be filed with the minutes of the annual meeting.

ARTICLE III - BOARD OF DIRECTORS

SECTION 1. POWER OF BOARD OF DIRECTORS.

The Corporation shall be managed by its Board of Directors, which shall establish all general policies governing its operations.

SECTION 2. NUMBER, ELECTION AND TERM OF DIRECTORS.

(a) The number of Directors shall be from three to five, as specified by the Member. As used in these By-laws, "the entire Board of Directors" means the total number of Directors which the Corporation would have in accordance with the preceding sentence if there were no vacancies on the Board.

(b) The Ex-Officio Directors shall serve during the tenure of their respective offices in the County government.

(c) The Appointed Directors shall serve for one year terms or until the next annual meeting of the Corporation, if such meeting occurs one year or more after commencement of the Appointed Director's then current term, and in any event until their successors have been duly appointed and qualified.

(d) Directors shall be eligible to serve an unlimited number of consecutive terms.

SECTION 3. RESIGNATIONS AND REMOVAL OF DIRECTORS.

(a) Any Director of the Corporation may resign at any time by giving written notice to the President or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery, provided that the Independent Director's resignation shall be effective only when a replacement Independent Director takes office. Acceptance of the resignation shall not be necessary to make it effective.

(b) Any Appointed Director may be removed from the Board with or without cause by the Member and shall be removed if he or she no longer satisfies a condition of office, provided that the Independent Director may be removed from the Board only with cause by the Member and the Independent Director, if removed, shall serve until a successor is appointed.

SECTION 4. NEWLY CREATED DIRECTORSHIPS AND VACANCIES.

Newly created directorships resulting from an increase in the number of Directors and vacancies occurring for any reason shall be filled by the Member, subject to the conditions for Directors set forth in the Corporation's Certificate of Incorporation. A Director elected to fill a vacancy caused by resignation, death, disability, ceasing to hold the requisite office or removal shall hold office for the unexpired term of his or her predecessor in office and until a successor is elected and qualified.

SECTION 5. ANNUAL MEETING.

The annual meeting of the Board of Directors shall be held after the annual meeting of the Corporation described in Article II, Section 3 above at a convenient time and location designated by the Board. Written notice of the annual meeting shall be mailed or delivered to each Director of the Corporation prior to the meeting.

SECTION 6. ANNUAL REPORT.

The President and the Treasurer shall present at the annual meeting of the Board of Directors a copy of the annual report described in Article II, Section 4 above.

SECTION 7. SPECIAL MEETINGS.

Special meetings of the Board of Directors may be called at any time by the President and shall be called by the Secretary if requested in writing by two-fifths of the entire Board of the Corporation. Written notice shall be mailed or delivered to each Director of the Corporation prior to the meeting. Said notice shall state the purposes, time and place of the special meeting and that no business other than that specified in the notice may be transacted.

SECTION 8. WAIVERS OF NOTICE.

Notice of a meeting need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

SECTION 9. PLACE OF MEETINGS.

The Board of Directors may hold its meetings at such place or places within or outside the State of New York as the Board of Directors may from time to time by resolution determine. To the extent applicable, meetings shall be held in compliance with the Open Meetings Law.

SECTION 10. QUORUM AND ADJOURNED MEETINGS.

(a) A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at meetings of the Board. When a quorum is once present to organize a meeting, it shall not be broken by the subsequent withdrawal of any Director(s).

(b) A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting.

SECTION 11. ACTION BY THE BOARD OF DIRECTORS.

Any corporate action to be taken by the Board of Directors means action at a meeting of the Board. Each Director shall have one vote regarding any corporate action to be taken by the Board.

SECTION 12. ORGANIZATION.

At each meeting of the Board of Directors, the President, or, in his or her absence, a chairman chosen by a majority of the Directors present, shall preside. The Secretary, or, in his or her absence, a person chosen by a majority of the Directors present, shall keep complete and accurate minutes of the meeting.

SECTION 13. ATTENDANCE AT MEETINGS.

Attendance at each meeting of the Board shall be recorded by the Secretary in the minutes thereof.

SECTION 14. COMPENSATION.

All Directors other than the Independent Director shall serve without compensation. All Directors may be reimbursed for reasonable expenses incurred in the performance of corporate duties. The Independent Director may be compensated for his or her services as Independent

Director in an amount fixed from time to time by majority vote of the Board of Directors other than the Independent Director.

SECTION 15. PROPERTY RIGHTS.

No Director of the corporation shall, by reason of that position, have any rights to or interest in the property or assets of the Corporation.

ARTICLE IV - OFFICERS

SECTION 1. NUMBER AND SALARY.

The officers of the Corporation shall be a President/CEO, a Vice President, a Secretary and a Treasurer/CFO. Any two or more offices may be held by the same person, except the offices of President and Secretary. The officers shall serve without salary at the pleasure of the Board, but may be reimbursed for reasonable expenses incurred in the performance of corporate duties.

SECTION 2. TERMS OF OFFICERS.

The officers shall be elected by the affirmative vote of a majority of the entire Board of Directors of the Corporation from among its members initially at a meeting of the Board, at its pleasure, and thereafter at the annual meeting of the Board. Officers shall serve at the pleasure of the Board. Unless a shorter term is provided in the resolution of the Board electing such officer, the term of office of each officer shall be one year or until the next annual meeting of the Board of Directors, if such meeting occurs one year or more after the commencement of the officer's then current term. The term of office of each officer, in any event, shall extend until a successor is elected or appointed and qualified. Officers shall be eligible to serve an unlimited number of consecutive terms.

SECTION 3. ADDITIONAL OFFICERS.

Additional officers may be elected for such period, have such authority and perform such duties, either in an administrative or subordinate capacity, as the Board of Directors may from time to time determine.

SECTION 4. REMOVAL OF OFFICERS.

Any officer may be removed with or without cause, at any time, by the affirmative vote of a majority of the entire Board of Directors of the Corporation.

SECTION 5. RESIGNATION.

Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Any such resignation shall take effect at the time specified therein,

or, if no time is specified, then on delivery. Acceptance of the resignation shall not be necessary to make it effective.

SECTION 6. VACANCIES.

A vacancy in any office of the Corporation shall be filled by the Board of Directors in the same manner as is provided in Article IV, Section 2 of these By-Laws.

SECTION 7. PRESIDENT/CEO.

The President shall be the chief executive officer of the Corporation and shall generally supervise all its affairs. The President shall also perform such other duties as may be assigned to him or her from time to time by the Board.

SECTION 8. VICE PRESIDENT.

A Vice President shall be elected from time to time by the Board. The Vice President shall perform the duties of the President in the absence of the President and such other duties as may be assigned to him or her from time to time by the Board or the President.

SECTION 9. SECRETARY.

It shall be the duty of the Secretary to supervise the preparation of minutes of all meetings of the Board of Directors and its committees, the giving of all notices required to be given by the Corporation, and the keeping of a current list of the Corporation's Directors and officers and their residence addresses. The Secretary shall be responsible for supervising the preparation and maintenance of the books and records of the Corporation. The Secretary shall attend to such correspondence as may be assigned to him or her and perform all the duties customarily incidental to that office and such other duties as may be assigned to him or her by the Board of Directors or the President.

SECTION 10. TREASURER/CFO.

The Treasurer shall be the chief financial officer of the Corporation. It shall be the duty of the Treasurer to oversee the financial affairs of the Corporation, report at each regular meeting of the Board of Directors, and participate in preparing the annual report of the Corporation and the filing of all required tax returns and other regulatory reports. The Treasurer shall perform such other duties as may be assigned to him or her by the Board of Directors or the President.

ARTICLE V - CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

SECTION 1. EXECUTION OF CONTRACTS.

The Board of Directors, except as these By-laws or the Certificate of Incorporation otherwise provide, may authorize any officer or officers, agent or agents, employee or employees, in the name of and on behalf of the Corporation, to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; but, unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily in any amount for any purpose.

SECTION 2. LOANS.

No loans shall be contracted on behalf of the Corporation unless specifically authorized by the Board of Directors.

SECTION 3. CHECKS, DRAFTS, ETC.

All checks, drafts and other orders for the payment of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, may be signed on behalf of the Corporation by any officer.

SECTION 4. DEPOSITS.

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Treasurer may recommend and the Board of Directors approves.

SECTION 5. INVESTMENTS.

The Board of Directors may authorize the Corporation to contract with an investment advisor and custodian to manage its investments and may adopt an investment policy. If an investment policy has been adopted, the investment advisor and/or custodian will be required to comply with said policy.

ARTICLE VI - GENERAL

SECTION 1. SEAL.

The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal, New York." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

SECTION 2. BOOKS AND RECORDS.

There shall be kept by the Corporation (1) correct and complete books and records of account, (2) statements of written action by the Member, (3) minutes of the proceedings of the Board of Directors and its committees, (4) a current list of the Directors and Officers of the Corporation and their residence addresses, (5) a copy of the Certificate of Incorporation, and (6) a copy of these By-laws.

SECTION 3. INDEMNIFICATION.

The Corporation shall indemnify each member, each Director, each officer, and, to the extent authorized by the Board of Directors, each other person authorized to act for the Corporation or on its behalf, to the full extent to which indemnification is permitted under the Not-For-Profit Corporation Law.

SECTION 4. INTERESTED DIRECTORS AND OFFICERS.

The Board of Directors may adopt a policy regarding conflicts of interest which shall apply to all Directors and officers.

ARTICLE VII - FISCAL YEAR

The fiscal year of the Corporation shall commence on the first day of January of each calendar year and end on the last day of December.

ARTICLE VIII - RULES OF ORDER AND BY-LAW CHANGES

SECTION 1. RULES OF ORDER.

Meetings of the Board of Directors and its committees shall be governed by Robert's Rules of Order, except in cases otherwise provided for by these By-laws.

SECTION 2. BY-LAW CHANGES.

These By-laws may be amended or repealed by the affirmative vote of a majority of the entire Board of Directors of the Corporation and the affirmative vote of all of the Members of the Corporation.

ARTICLE IX - COMMITTEES

SECTION 1. AUDIT AND FINANCE COMMITTEE.

Pursuant to subdivision 4 of Section 2824 of PAL, an Audit Committee is hereby formed, being comprised of one or more members who qualify under PAL as an independent member for the purpose of recommending to the Board the hiring of a certified independent accounting firm, establishing the compensation to be paid to the accounting firm and providing direct oversight of the performance of the independent audit to be performed on or after fiscal year ending on December 31, 2007 by the accounting firm hired for such purposes. In addition, pursuant to the Public Authorities Reform Act of 2009 ("PARA"), the Audit and Finance Committee shall review proposals for the issuance of debt by the Corporation and make recommendations regarding such.

SECTION 2. GOVERNANCE COMMITTEE.

Pursuant to subdivision 7 of Section 2824 of PAL, a Governance Committee is hereby formed, being comprised of one or more members who qualify under PAL as an independent member for the purpose of keeping the Board informed of current best governance practices, to review corporate governance trends; and to update the Corporation's corporate governance principles. In addition, pursuant to the Public Authorities Reform Act of 2009 ("PARA"), the Governance Committee shall examine ethical and conflicts of interest, perform board self-evaluations, and recommend bylaws which include rules and procedures for the conduct of board business as required by PARA.