

**BY-LAWS
of
TIOGA COUNTY LOCAL
DEVELOPMENT
CORPORATION**

**First Adopted 7/6/94
Revised Adopted 1/12/2024**

ARTICLE I THE CORPORATION

Section 1: Name.

The name of the corporation shall be TIOGA COUNTY LOCAL DEVELOPMENT CORPORATION.

Section 2: Offices.

The principal office of the Corporation shall be in the County of Tioga, State of New York. 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 the Corporation may require.

Section 3: Purposes.

The purposes of the Corporation shall be:

- (a) To encourage tourism and also effect the location and expansion of business facilities, the creation of new and improved job opportunities, the reduction of unemployment and the betterment of individual and community prosperity within the County of Tioga, New York.
- (b) To provide for business purposes or any other purpose, whether improved or unimproved, or any interest or right therein, and buildings, fixtures, improvements and personal property therein or for use in connection therewith; to construct, erect, maintain, rehabilitate, improve, purchase, lease, manage, or otherwise acquire, raze and wreck any and all kinds of buildings, and structures for itself or for others; to hold, maintain, divide, manage, sell, mortgage or dispose of or encumber any such property or interest therein, building fixture or improvement of any character owned or in any manner held by it,

upon any terms, for itself or for others; to the extent permitted by law, to act as general contractor and builder in connection therewith.

- (c) To assist financially in accomplishing the foregoing purposes:
 - 1. To pursue any of the purposes of a "local development corporation" as described and defined in Article 8, Title 8, of the Public Authorities Law and in New York State Not-For-Profit Corporation Law Chapter 35 Article 14 Section 1411.
 - 2. To provide advice, technical and financial assistance to others in management of their properties, affairs and businesses; to provide liaison in their business and financial dealings with Federal, State and local authorities; and to disseminate, by advertisement, circular, radio, television and other media, information relating to the attractiveness of the territory of its operations as a place in which to locate or maintain business enterprise or facilities and the availability and terms of financial assistance and other services from governmental or private sources.
 - 3. To study and promote, alone or in concert with Federal, State or local officials and interested groups, the economic growth, business prosperity, and the solution of civic problems, within its territory of operation.
- (d) To provide a structure through which the needs of the tourism industry are accurately communicated to the Tourism Promotion Agent (TPA) of Tioga County, as designated by the Tioga County Legislature and to provide a forum for discussing ideas and activities that will help benefit the tourism industry of Tioga County and to develop marketing and promotional projects that improve the tourism economy of Tioga County and to serve as a voice for the concerns of the tourism industry in Tioga County, and to communicate those concerns to the appropriate agencies or legislative bodies.
- (e) Pursuant to the accomplishment of the foregoing purposes, the Corporation shall have the following powers:
 - 1. To borrow money from any Federal, State or local governmental source or from any private source; to loan or contribute money for the attainment of its corporate purposes; to make, accept, endorse, execute and issue promissory notes, bills of exchange or other obligations or agreements from time to time, with or without security, for the acquisitions, construction, rehabilitation or improvement of real or personal property pursuant to its corporate purposes; to secure or cause to be secured the

payment of any such obligations and the performance of any such agreements by mortgage, pledge, deed of trust, assignment or otherwise; and to sell or otherwise dispose of any such obligations or any similar obligations of others acquired by it pursuant to its corporate purposes.

2. To solicit contributions, to receive by gift, deed, legacy, bequest or devise, and otherwise acquire money and property of every kind and description without limitation as to value or amount.
3. To apply for, obtain, register, purchase, lease or otherwise acquire, hold, use, introduce, develop or control, sell, assign, or otherwise dispose of, take or grant licenses or other rights with respect to, and in any and all ways exploit or turn to account inventions, improvements, processes, copyrights, patents, design patents, trademarks, formulae, trade names and distinctive marks and similar rights of any and all kinds relating to or useful in connection with any business of the corporation, whether granted, registered or established by or under the laws of the United States or any state, country, authority or place.
4. To have one or more offices or branches within the State of New York and to carry on its operation and business elsewhere in the United States.
5. To enter into, make, perform and carry out contracts of every sort and kind which may be necessary or convenient for the attainment of the objects of the corporation or business of a similar nature, with any person, firm, corporation, private, public or municipal body politic under the government of the United States of America and the State of New York so far as and to the extent that the same may be done and performed by corporations organized under the Not for Profit Corporations Law of the State of New York.
6. To purchase, subscribe to, acquire, hold and dispose of the stocks, bonds and other securities, or evidences of indebtedness of any other association or corporation, domestic or foreign, for whatever purpose organized and in whatever business engaged, and to issue in exchange therefore obligations or to pay therefore in cash or otherwise; to hold for investment, own, use, sell, pledge, hypothecate, deal in, dispose of, and turn to account any such stocks, bonds or other securities, and while the owner or holder bonds or other securities, and while the owner or holder thereof to exercise all rights and powers of ownership, including the right to vote

thereon for any purpose; to do any acts or things necessary, proper, convenient or desirable for the protection or development of any association or corporation exercising its corporate powers within the County of Tioga, New York, for the preservation, improvement or enhancement of the value of any stocks, bonds or other securities of such associations or corporations, or any acts or things designed for any such purposes, including the making of loans, subsidies or guaranties to or for such associations or corporations.

7. To purchase or otherwise acquire the whole or any part of the business, good will, name and assets of any person, firm or corporation and to assume any indebtedness of any such person, firm or corporation.
8. To do anything necessary, suitable or proper for the accomplishment of any of the purposes, or the furtherance of any of the powers herein before set forth, either alone or with other corporations, firms or individuals and either as principal or agent; to do every other act or acts, thing or things, incidental or appurtenant to or growing out of or connected with the aforesaid objects, purposes or powers of any of them; to have and enjoy all the rights, powers and privileges now or thereafter conferred by the laws of the State of New York upon corporations organized under the Not for Profit Corporations Law, or under any law amendatory thereof, supplemental thereto or in substitution thereof.

ARTICLE II MEMBERSHIP

Section 1: Classes of Membership.

There may be two classes of membership in the corporation; non-voting members (Class A) and voting members (Class B). The Board of Directors shall have the right to terminate any membership by action taken at any regular or special meeting of the Board.

Section 2: Non-Voting Members (Class A).

Non-voting members shall have the right to attend the annual meeting of members and any meeting, which they are entitled to attend by law. The Director will be an Ex-Officio non-voting board member.

Section 3: Voting Members (Class B).

The voting members of the Corporation shall be the members of the Board of Directors. Any person who ceases to be a member of the Board of Directors for any reason shall cease to be a voting member (Class B) of the Corporation. They shall remain eligible for non-voting (Class A) membership. Voting members (Class B) shall have the rights and privileges of membership, including the right to vote. Members who are affiliated with organizations that are requesting funds from the TCLDC will be excused from votes relating to their request. The members of Class B shall exclusively possess voting power for all purposes with the exception of the election of Directors. This right is exclusively reserved for the Tioga County Legislature.

Section 4: Membership Investment.

All members of the Corporation may make a membership investment in the Corporation. Membership investments shall be at such rate or rates or schedule of formula as may be from time to time prescribed by the Board of Directors, and shall be payable annually, semi-annually or quarterly. Any firm, association, corporation, partnership, individual, or estate holding either a Class A or Class B membership may nominate, in writing, the individual whom the holder desires to exercise the privileges of membership, and shall have the right to change its membership nomination upon written notice.

Section 5: Annual Meeting.

The annual meeting of the members of the Corporation shall be held at such time and place in the month of January in each year as the Board may determine, at which reports of the Treasurer's accounts, of the general state of the Corporation, and of such other matters as may be of importance and interest to the Corporation, shall be submitted.

Section 6: Special Meeting.

Special meetings of the members of the Corporation may be called at any time by the President of the Corporation or by direction of the Board of Directors or of the Executive Committee.

Section 7: Notice.

Written notice of the date, time, place and purpose of each annual and special meeting of the members of the Corporation shall be given by mailing the notice thereof via first class mail to each of the members of the Corporation at least ten (10) but no more than fifty (50) days before the meeting; if mailed by any other class of mail, it shall be given not less than thirty (30) nor more than sixty (60) days before such date. If the notice is given personally, by first class mail or by facsimile telecommunications or by electronic mail, it shall be given not less than ten (10) nor more than fifty (50) days before the date of the meeting.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1: Board of Directors.

The affairs, business and general management of the Corporation shall be vested in a Board of Directors who shall be members.

Section 2: Number of Directors.

The number of directors constituting the entire Board of Directors shall be fixed from time to time by resolution of the directors, but shall in no event be less than three (3) voting members. The number of directors that shall constitute the Board of Directors at the time that these by-laws are adopted shall be nine (9) voting members, who shall be appointed by the Tioga County Legislature. In addition, the Director of the Tioga County TPA shall serve as an ex-officio member of the Board of Directors.

No Member of the Board, including the President, shall serve as a Corporation Corporate Officer (Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Comptroller), or hold any other equivalent executive position or office of the Corporation while also serving as a Member of the Board.

Corporate Officer positions (Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Comptroller) may or may not be filled at the discretion of the Board.

In compliance with Section 2825 of the Public Authorities Law, the majority of the Members of the Board shall be Independent Members; as such term is defined in paragraph (d) below.

Independence. For the purposes of these By-laws, an Independent Director is one who:

- (a) is not, and in the past two (2) years has not been, employed by the Corporation or another corporate body having the same ownership and control of the Corporation in an executive capacity such as any member of the appointing body, the Tioga County Legislature;
- (b) is not, and in the past two (2) years has not been, employed by an entity that received remuneration valued at more than fifteen thousand dollars (\$15,000.00) for goods and services provided to the Corporation or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000.00) from the Corporation;
- (c) is not a relative of an executive officer or employee in an executive position of the Corporation or any other corporate body having the same ownership and control of the Corporation; and
- (d) is not, and in the past two (2) years has not been, a lobbyist registered under a state of local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Corporation or another corporate body having the same ownership and control of the Corporation.

Section 3: Election and Term of Directors.

The nine (9) voting directors shall hold office for a term of three (3) years. The President of the Corporation, who shall be the current Director of the Tioga County Department of Economic Development and Planning, unless otherwise stipulated by the Tioga County Legislature, shall serve as President of the Corporation until resignation from the position of Director of Tioga County Department of Economic Development and Planning, death or removal by the Legislature.

Section 4: Annual Meeting of the Board.

The Board of Directors shall hold an annual meeting in the month of January at a convenient time and location designated by the President.

Section 5: Meetings of the Board.

The Board shall hold monthly meetings at a convenient location designated by the President. Written notice of all regular meetings, together with minutes of the preceding meeting, shall be mailed to each director not less than ten (10) or more than thirty (30) days before the date fixed for such meeting.

Section 6: Special Meetings of the Board.

The President may call special meetings at any time. Within ten (10) days of receipt of a written request of one-third of the members of the Board the President or the Secretary shall call a meeting and give notice to the Board. Written or oral notice of special meetings shall be given to each member of the Board at least three business days prior to the date of such special meeting. The notice shall state the business for which the special meeting has been called, and that no business other than that stated in the notice shall be transacted at the special meeting.

Section 7: Waiver of Notice.

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

Section 8: Place and Time of Board Meetings.

The Board may hold its meetings at the office of the Corporation at such other places within the State of New York as it may from time to time determine.

Section 9: Quorum of Directors.

The presence in person of a majority of the voting directors of the Corporation shall be necessary to constitute a quorum (5) at all meetings of the Board.

Section 10: Action by the Board.

- (a) Each voting member shall be entitled to one vote on each matter properly submitted to the directors for action at all meetings of the Board. Members who are affiliated with organizations that are requesting funds from the TCLDC will be excused from votes relating to their request. Unless otherwise required by law, the vote of a

majority of directors present at the time of the vote shall be the act of the Board.

- (b) Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee thereof consent in writing to the adoption of a resolution authorizing the action. The resolution and written consent thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

- (c) Any one or more members of the Board, or of any committee thereof, may participate in a meeting of such Board or committee by means of a conference telephone or similar equipment that allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting. Email votes shall be permitted between meetings for urgent matters, but all active board members must respond and have a unanimous vote.

Section 11: Newly Created Directorships and Vacancies.

Newly created directorships resulting from an increase in the number of directors and/or vacancies occurring in the Board at large positions for any reason shall be filled by the Tioga County Legislature. A director elected by the Legislature to fill a vacancy caused by resignation, death, disability or removal shall be elected to hold office for the unexpired term of his predecessor.

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Section 12: Removal.

A board director may be removed from office with or without cause either by the Tioga County Legislature or upon a super majority vote of the Board of Directors and subsequent recommendation by the Board to the Tioga County Legislature.

Section 13: Resignation.

A director may resign at any time by giving written notice to the Board, the President or Secretary of the Corporation. Unless otherwise specified in the notice, their resignation shall take effect upon receipt thereof by Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective. Copies of said notice should also be sent to the Clerk of the Tioga County Legislature.

Section 14: Attendance at Meetings.

The Secretary shall record attendance at each meeting of the Board in the minutes thereof. Absence from a meeting may be excused, for the good cause shown. Three (3) non-excused absences, within a twelve-month period, is grounds for dismissal from the board by the Tioga County Legislature or the Board of Directors.

Section 15: Annual Independent Audit.

(a) Annual Independent Audit: The Audit Committee shall present to the Board upon its completion, the annual independent audit report performed in accordance with the requirements of the PAAA, the NYGML and generally accepted government auditing standards certified by a firm of independent public accountants selected by the Board. The certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

- (i) the assets and liabilities, including the status of reserve, depreciation, special or other funds including the receipts and payments of such funds, of the Corporation as of the end of the fiscal year;
- (ii) the principal changes in assets and liabilities, including trust funds, during said fiscal year;
- (iii) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes during said fiscal year;
- (iv) the expenses or disbursements of the Corporation for both general and restricted purposes, during said fiscal year; and
- (v) a schedule of the bonds and notes of the Corporation outstanding during said fiscal year, including all refinancings, calls, refundings, defeasements, and interest rate exchange or other such agreements, and for any debt issued during the fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of the schedule of debt issuance that include the date of

issuance, term, amount, interest rate, means of repayment and cost of issuance.

Furthermore, the certified public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

- (i) all critical accounting policies and practices to be used;
- (ii) all alternative treatments of financial information within generally accepted accounting principals that have been discussed with the management of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the certified independent public accounting firm;
- (iii) other material written communications between the certified independent public accounting firm and the management of the Corporation, such as the management letter along with management's response or plan of corrective action, material corrections identified or schedule of unadjusted differences, where applicable.

ARTICLE IV OFFICERS

Section 1: Election of Officers.

The officers of the Corporation shall consist of a President, a Vice-President, a Treasurer, a Secretary and such other officers as the Board may authorize. The President shall be the current Director of the Tioga County Department of Economic Development and Planning unless otherwise stipulated by the Tioga County Legislature. The Governance Committee shall nominate candidates for officers, with the exception of the President, and all officers shall be elected by the Board at its annual meeting and shall serve at the pleasure of the Board. Officers shall hold office for a period of one year or until a successor shall have been duly elected. Except for the office of the President, the same person may hold any two or more offices.

Section 2: President.

The President shall oversee the general management of the Corporation, and he or his designee shall report to the Board at each meeting concerning the financial condition and operation of the Corporation. He shall preside at all meetings of the Board, and shall be, ex-officio, a member of all committees.

Section 3: Vice-President.

During the absence or disability of the President, the Vice-President shall have all of the powers and functions of the President. Each Vice-President shall perform such other duties, as the Board shall prescribe.

Section 4: Treasurer.

The Treasurer shall have the care and custody of all funds of the Corporation and shall oversee the deposit of the same in the name of the Corporation in such bank or banks as the Corporation may select. He shall give such bond for the faithful performance of his duties as the Corporation may determine. The Treasurer shall oversee the Administrator of the Corporation and shall review all the books and accounts of the Corporation and shall advise the Administrator of the Corporation with respect to the charge, custody and investment of all funds and securities of the Corporation, and the Treasurer shall ensure the proper deposit by the Administrator of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board. The Treasurer shall also perform all other duties customarily incident to the office of Treasurer and such other duties as from time to time assigned by the Board. The Treasurer shall serve as the Chair of the Audit Committee.

Section 5: Secretary.

The Secretary is responsible for the records of the Corporation, shall act as Secretary of the meetings of the Corporation and shall oversee the recording of all votes, and record keeping of the proceedings of the Corporation in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to his office; the Secretary shall keep a current list of the Members and officers of the Corporation's Board and their residence addresses. He shall see to the safe custody of the seal of the Corporation and shall have the power to affix such seal to all contracts and other instruments authorized to be executed by the Corporation.

The Secretary shall be elected from among the members of the Board of Directors.

Section 6: Removal, Resignation, etc.

- (a) The Board with or without cause may remove any officer elected or appointed by the Board. The President may only be removed by the Tioga County Legislature.
- (b) In the event of death, resignation or removal of an officer, the Board in its discretion may elect or appoint a successor to fill the unexpired term.

Section 7: Compliance Officer.

The Corporation shall appoint a Compliance Officer by resolution, who may be the Administrator, or any other employee of the Corporation. The Compliance Officer shall be responsible for insuring that the Corporation complies with all financial and other reporting requirements imposed by statute, including those requirements in the General Municipal Law and the Public Authorities Law of New York State. The Compliance Officer shall be the "Contracting Officer" (as such term is defined in Section 2895 of New York's Public Authorities Law.)

**ARTICLE V
COMMITTEES OF THE
BOARD OF DIRECTORS**

Section 1: Committees of the Board

Committees of the Board shall be comprised solely of board members, have the power to bind the board, and have at least three (3) members. These committees must be appointed or elected by the Board.

a. Standing Committees

The Board of Directors shall have the following standing committees, each of which shall include at least three (3) directors:

Executive Committee
Audit Committee

***Governance Committee
Finance Committee***

At each annual meeting of the Board of Directors, the Governance Committee shall nominate standing committee members, as provided in Sections 2 through 9 of this Article. The nominations shall be subject to confirmation by majority vote of the entire Board. In the event that the Board does not so approve the nominated committee members, the Governance Committee shall propose alternative nominations for approval by the Board.

Section 2: Committees of the Corporation

Committees of the Corporation do not have the power to bind the board or any independent authority. They must have at last three (3) members and may include non-board members. Committees of the Corporation shall be nominated by the Governance Committee and confirmed by the Board.

/ Love New York Cooperative Partners Matching Funds Committee

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b. Special Committees

In addition to the standing committees, the Board of Directors may establish by resolution such special committees, as it deems necessary or advisable for the proper functioning of the Corporation. Special committees shall be formed for special tasks as circumstances warrant. Each special committee shall limit its activities to the accomplishment of the task for which it is formed and shall have no power to act except as specifically conferred by action of the Board. Upon completion of the task for which it is appointed, such special committee shall stand discharged.

Section 3: Committee Meetings.

Unless otherwise provided in these by-laws, at any meeting of a standing or special committee, a quorum shall be a majority of the number of members of the committee. A vote by a majority of the members present at a duly organized committee meeting shall constitute the action of the committee. The rules governing attendance by directors at Board meetings shall also apply to attendance by committee members at committee meetings. A committee may act by unanimous written consent in lieu of majority vote at a duly convened meeting.

Section 4: Minutes.

Each committee meeting shall have an agenda, and minutes of each meeting shall be prepared by the chairman of the committee and submitted to the Board of Directors at the Board's next regularly scheduled meeting.

Section 5: Executive Committee.

The Executive Committee shall consist of the President, who shall be the Chairman of the Committee, the Vice-President, the Treasurer and the Secretary.

The Executive Committee shall represent the Board of Directors, and shall have power to transact all regular business of the Corporation during the period between meetings of the Board, except that the Executive Committee shall not have authority:

1. to fill vacancies on, or remove directors from, the Board or any committee;
2. to fix the compensation of officers, directors or committee members;
3. to amend, repeal or adopt by-laws;
4. to amend or repeal any resolution of the Board which by its terms is not so amendable or able to be repealed;
5. to make capital or operating expenditures above limits established by the Board;
6. to change the number of directors; or
7. to authorize indemnification under Article VII of these by-laws.

In addition, the Executive Committee shall make recommendations to the Board with respect to managing and conducting the affairs of the Corporation, and shall meet and act as otherwise instructed by the Board.

The Executive Committee may meet regularly if deemed necessary or advisable by the President, the Committee or the Board. The Committee shall keep minutes of each of its meetings, which shall include a record of its activities and business transactions. Said minutes and records shall be presented to the Board at its next regularly scheduled meeting. The activities of the Executive Committee shall be deemed to have been ratified by the Board following presentation of the Committee's minutes and records, unless the Board adopts a resolution over-ruling the Committee.

Section 6: Audit Committee.

The Audit Committee shall be a committee consisting entirely of Independent Directors as defined under the New York State Nonprofit Code, who shall be elected by plurality of the votes cast by the members of the Corporation at each Annual Meeting and shall serve until the next Annual Meeting. The Audit Committee shall consist of the Treasurer, as Chair, and two (2) other directors nominated by the Chair and confirmed by the Board. The Audit Committee may meet quarterly and more often if deemed necessary or advisable by the Treasurer, the Chair, the Committees or the Board.

The Committee shall be responsible for the general supervision of the financial operations of the Corporation and for supervising the management of all funds of the Corporation. Funds shall be invested with one or more of the financial institutions duly authorized to conduct such business in this state. It shall have authority to make investment changes recommended by such financial institutions and shall report such changes at the next regular meeting of the Board of Directors. To the extent practicable, Committee members should be familiar with financial and accounting practices. The Committee shall recommend the hiring of a certified independent accounting firm, establish compensation to the firm and provide direct oversight of the performance of the independent audit.

The Committee responsibilities shall be related to following areas as outlined in the Audit Committee Charter:

- The independent auditor and annual financial statements
- Oversight of management's internal controls, compliance and risk assessment practices
- Special investigations and whistleblower policies
- Miscellaneous issues related to the financial practices of the Corporation.

Section 7: Governance Committee.

There shall be a Governance Committee consisting entirely of Independent members, who shall be elected by plurality of the votes cast by the members of the Corporation at each Annual Meeting and shall serve until the next Annual Meeting. The Governance Committee shall consist of three (3) directors nominated by the President and confirmed by the Board. The President shall also nominate the Committee Chair. The Governance Committee may meet quarterly and more often if deemed necessary or advisable by the President or the Board.

The Committee responsibilities shall be:

1. to keep the Board informed of current best governance practices;
2. to review corporate governance trends;
3. to update the Corporation's governance corporate governance principles;
4. to advise the Tioga County Legislature on the skills and experience required of potential board members.

Section 8: Finance Committee

The purpose of the Finance Committee shall be to oversee the Corporation's debt and debt practices and to recommend policies concerning the Corporation's issuance and management of debt. The Committee shall be responsible for the general supervision of the financial operations of the corporation and for supervising the management of all funds of the Corporation. The Finance Committee shall consist of the Chairperson, as Chair, to be nominated by the President and two (2) other directors. To the extent practicable, committee members should be familiar with financial and accounting practices. The Finance Committee may meet annually and more often if deemed necessary or advisable by the Treasurer, the Chair, the committees or the Board. The Committee must meet prior to any debt issuance planned to be undertaken by the Corporation.

It shall be the responsibility of the Finance Committee to:

- Review proposals for the issuance of debt by the Corporation and to make recommendations concerning those proposals to the Board.
- Make recommendations to the Board concerning the level of debt and nature of debt issued by the Corporation.
- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Corporation, and to oversee the work performed by these individuals and firms on behalf of the Corporation.
- Meet with and request information from The Corporation staff, independent auditors and advisors or outside counsel as necessary to perform the duties of the Committee.
- Retain, upon Board approval and at the Corporation's expense, such outside counsel, experts and other advisors as the Finance Committee may deem appropriate.
- Review proposals relating to the repayment of debt or other long-term financing arrangements by the Corporation.
- Annually review the Corporation's financing guidelines and make recommendations to the Board concerning criteria that should govern its

financings. These should include security provisions required by a bond financing undertaking, specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.

- Report annually to the Corporation's Board how it has discharged its duties and met its responsibilities as outlined in the Charter.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Charter and request the Board approval for proposed changes.

Limitation of Authority.

Unless specifically authorized in these by-laws or by resolution of the Board, no committee other than the Executive Committee shall exercise any executive function, make expenditures, establish policies, or in any way obligate the Corporation.

Those committee members nominated by the Governance Committee and confirmed by the Board shall serve at the pleasure of the Board, which shall have the power to remove and replace them at any time and to fill any vacancies among such members.

ARTICLE VI INDEMNIFICATION

Section 1: Derivative Actions.

The Corporation may, to the full extent permitted by law, indemnify any person made a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a director or officer of the Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached his duty to the Corporation. Such indemnification shall in no case include amounts paid in settling or to otherwise disposing of a threatened action, or a pending action with or without court approval, or expenses incurred in defending a threatened action or a pending action which is settled or otherwise disposed of without court approval.

Section 2: Third Party Actions.

The Corporation may, to the full extent permitted by law, indemnify any person made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the Corporation to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan, or other enterprise, which any director or officer of the Corporation served in any capacity at the request of the Corporation, by reason of the fact that he, his testator or intestate, was a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted in good faith for a purpose which he reasonably believed to be in the best interests of the Corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful. The termination of any such civil or criminal action or, proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such director or officer did not act, in good faith, for a purpose which he reasonably believed to be in the best interests of the Corporation or that he had reasonable cause to believe that his conduct was unlawful.

Section 3: Indemnification of Other Personnel.

The foregoing indemnification provisions shall not be applicable to the personnel of the Corporation other than its directors and officers, and the Corporation may, in the discretion of its Board of Directors, indemnify agents and employees of the Corporation to the full extent permitted by law.

Section 4: Insurance.

The foregoing shall not obligate the Corporation to purchase directors' and officers' liability insurance, but should applicable law permit, the Corporation may purchase such insurance if authorized and approved by the Board of Directors.

**ARTICLE VII
CHECKS, NOTES, ETC.**

Checks and notes of the Corporation shall be signed and checks, notes, drafts, bills of exchange and orders for payment may be endorsed for the collection of debts in such manner as shall be determined by the Audit Committee and the Board of Directors. Funds of the Corporation shall be deposited in such banks or other financial institutions, and checks drawn against such funds shall be signed in such manner, as may be determined from time to time by the Audit Committee and the Board of Directors. No member or members of the Audit Committee or the Board of Directors shall have any power or authority to sign any note or bond or other evidence of debt or to contract any debt or liability on the part of the Corporation except in accordance with a special resolution of the Board of Directors for that purpose entered on its minutes.

ARTICLE VIII CONFLICTS OF INTEREST

Section 1: Definition of Conflicts of Interest.

A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Corporation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any Member of his immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he, or an immediate family member is a member, trustee, officer, member, partner or more than 10% shareholder. Service on the board of another not-for-profit agency does not constitute a conflict of interest.

Section 2: Disclosure of Conflict of Interest.

A Member or officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his duties with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the Member or officer learns of the conflict; and (d) on the annual conflict of interest disclosure form. The Administrator of the Corporation shall distribute annually to all Members and officers, a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the Corporation and whether the process for approval set forth in Section 3 of this Article VIII was used.

Section 3: Approval of Contracts and Transactions Involving Potential Conflicts of Interest.

A Member or officer who has or learns about a potential conflict of interest should disclose promptly to the President or the Secretary of the Corporation the material facts surrounding any actual or potential conflict of interest including specific information concerning the terms of any contract or transaction with the Corporation. All effort should be made to disclose any such contract or transaction and have it approved by the Board before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, The Audit Committee shall thoroughly review any real, or potential, Conflict of Interest or Related Party Transaction, or any other interested matter and submit to the Board a recommendation as whether or not it should be approved. The Board shall consider the material facts concerning the proposed contract or transaction including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Corporation and the arrangements are consistent with the best interests of the Corporation. Fairness includes, but is not limited to, the concepts that the Corporation should pay no more than fair market value for any goods or services which the Corporation receives and that the Corporation should receive fair market value consideration for any goods or services that it furnishes to others. The Board shall set for the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Corporation.

Section 4: Validity of Actions.

No contract or other transaction between the Corporation and one or more of its Members or officers, or between the Corporation and any other company, corporation, firm, association or other entity in which one or more of its members or officers are Members or officers of the Corporation, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Member or Members or officer or officers of the Corporation are present at the meeting of the Board, or of a committee, thereof, which authorizes such contract or transaction, or that his or their votes are counted for such purpose, if the material facts as to such Member's or officer's interest in such contract or transaction and as to any such common membership, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee vote or votes to such interested Member or officers. Common or interested Members may be counted in determining the presence of a quorum at a meeting of the Board or committee which authorizes such contract or transaction. The interested Member or officer should not be present at the time of the discussion and decision concerning the

authorization of such contract or transaction if said discussion or decision is made in an Executive Session.

Section 5: Employee Conflicts of Interest.

An employee of the Corporation with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his supervisor or the President. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the supervisor as to how the Corporation decisions which are the subject of the conflict will be determined. The President shall be responsible for determining the proper way for the Corporation to handle Corporation decisions which involve unresolved employee conflicts of interest. In making such determinations, the President may consult with legal counsel.

The President shall report to the Board at least annually concerning employee conflicts of interest which have been disclosed and contracts and transactions involving employee conflicts which the President approved.

Section 6: Code of Ethics.

The Corporation shall adopt a Code of Ethics and the Administrator shall distribute copies of such Code of Ethics to all Board Members, officers, employees and agents of the Corporation.

Section 7: Compensation.

No part of the net income or net earnings of the Corporation shall inure for the benefit or profit of any private individual of the Corporation. No officer or employee of the Corporation shall receive or be lawfully entitled to receive any pecuniary benefits from the operation thereof except as reasonable compensation for services. No director of the Corporation shall receive any salary, other compensation or pecuniary profit of any kind for services as such director other than reimbursement of actual and necessary expenses incurred in the performance of his duties.

Section 8: Property Rights of Directors.

No director or member of the Corporation shall have any rights or interest in or to the property or assets of the Corporation. In the event that the Corporation is liquidated or dissolved or ceases to actively carry on its business, all of the remaining property and assets of the Corporation (net of necessary expenses)

shall be distributed in accordance with Section 1411 of the Not-for-Profit Corporation Law of the State of New York and any subsequent amendments thereto.

ARTICLE IX GENERAL

Section 1. Books and Records.

There shall be kept at the office of the Corporation: (1) correct and complete books and records of account, (2) minutes of the proceedings of the Board and the standing and special Committees of the Corporation, (3) a current list of the Members of the Board and the officers of the Corporation and their residence addresses, (4) a copy of these By-laws, and (5) copies of the past three (3) years' information returns to the Internal Revenue Service.

Section 2. Loans to Members and Officers.

No loans shall be made by the Corporation to its Members or officers, or to any other company, corporation, firm, association or other entity in which one or more of the Members or officers of the Corporation are members, director or officers or hold a substantial financial interest except as allowed by law.

Section 3: Fiscal Year.

The fiscal year of the Agency shall begin on January 1 and end on December 31.

Section 4: Training.

All Members of the Board appointed after January 15, 2006 shall participate in training approved by the State of New York regarding their legal, fiduciary, financial and ethical responsibilities as Members within one (1) year of appointment to the Board. All other Members of the Board shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the Corporation and adhere to the highest standards of responsible governance.

**ARTICLE X
PARLIAMENTARY AUTHORITY**

The most current edition of *Robert's Rules of Order* shall govern the meetings of the Corporation in all cases in which they are applicable and in which they are not inconsistent with these by-laws.

**ARTICLE XI
BY-LAW CHANGES**

The by-laws may be amended, repealed, or adopted by a vote of two-thirds of the members of the Board present at any regular or special meeting. Any proposed amendment must be presented in writing at a Board meeting and entered in the minutes. The vote thereupon shall not be taken until the next meeting of the Board of Directors.

Throughout the by-laws, words of the masculine gender include the feminine and the neuter, and, when the sense so indicates, words of the neuter gender may refer to any gender.