

**AMEND AND RESTATED**  
**BY-LAWS**  
**OF**  
**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

Adopted: September 18, 2020

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## **ARTICLE I - THE AGENCY**

### **Section 1. Name of the Agency and Establishment of Agency**

The name of the Agency is the “Wayne County Industrial Development Agency”. The Agency is a body corporate and politic constituting a public benefit corporation of the State of New York. The Agency was established pursuant to Title 1 of Article 18-A of the New York General Municipal Law, as amended (the “IDA Act”) and Chapter 916 of the laws of 1969 (the “Agency’s Enabling Act”).

### **Section 2. Seal of the Agency**

The Seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of its organization.

### **Section 3. Office of the Agency**

The office of the Agency shall be in the Town of Lyons, County of Wayne and State of New York, or at such other places as the Agency may from time to time designate by resolution.

## **ARTICLE II - BOARD**

### **Section 1. Power of the Board and Qualification of Members**

The Agency shall be overseen and governed by its Board acting through its Members who shall exercise oversight and control over the officers and staff of the Agency. Each Member shall be at least eighteen years of age and each Board Member shall be appointed by the Wayne County Board of Supervisors (the “Appointing Authority”). The Board and its Members shall have all powers conferred on Board Members of public benefit corporations and local public authorities pursuant to New York State law, including, without limitation, the IDA Act, the Agency’s Enabling Act, the Public Authorities Law, as amended (the “PAAA”), the New York General Municipal Law (the “NYGML”), the New York Public Officers Law (the “NYPOL”), and any other New York State Law that is applicable to the Agency.

### **Section 2. Number of Members and Term of Office**

- a) The Board shall consist of not less than three (3) nor more than seven (7) Members, appointed by the Appointing Authority. Each Member shall serve at the pleasure of the Appointing Authority and continue to hold office until his or her successor is appointed and has been qualified. As used in this Article, “entire Board” means the total number of Members who have been appointed by the Appointing Authority and entitled to vote which the Agency would have if there were no vacancies.

- b) No Member of the Board, including the Chair, shall serve as the Agency's Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Compliance Officer, or hold any other equivalent executive position or office while also serving as a Member of the Board.
- c) As soon as practicable and in compliance with Section 2825 of the Public Authorities Law, the majority of the Members of the Board shall be Independent Members. For the purposes of these By-laws, an Independent Member is one who:
  - (i) is not, and in the past two (2) years has not been, employed by the Agency or another corporate body having the same ownership and control of the Agency in an executive capacity;
  - (ii) 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 Agency or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000.00) from the Agency;
  - (iii) is not a relative of an executive officer or employee in an executive position of the Agency or another corporate body having the same ownership and control of the Agency; and
  - (iv) is not, and in the past two (2) years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Agency or another corporate body having the same ownership and control of the Agency.
- d) At each Annual Meeting of the Board, the Members of the Board shall elect the officers of the Board, consisting of the Chair, one or more Vice Chairs, the Treasurer, one or more assistant Treasurers, the Secretary, and one or more Assistant Secretaries, each to hold office until the next Annual Meeting and until their successors have been elected and qualified. Each officer of the Board shall also be a Board Member, except that the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer of the Agency may be appointed as Assistant Secretaries of the Agency.
- e) Each Member shall have one vote.

### **Section 3. Organization**

At each meeting of the Board, the Chair, or, in the absence of the Chair, a Vice Chair shall preside, or in the absence of either of such officers, a chair chosen by a majority of the Members present shall preside. The Secretary shall act as secretary of the Board. In the event the Secretary shall be absent from any meeting of the Board, an Assistant Secretary shall act as the secretary for such meeting.

#### **Section 4. Resignations and Removal of Members**

- a) Any Member of the Agency may resign at any time by giving written notice to the Chair or to the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then such Member may continue to serve until his or her successor has been appointed and qualified.
- b) Any or all of the Members may be removed at any time by the Appointing Authority.

#### **Section 5. Action by the Board**

- a) Except as otherwise provided by law or in these By-laws, the act of the Board means action taken at a meeting of the Board by vote of a majority of the Members present at the time of the vote, if a quorum is present at such time.
- b) The voting on all questions coming to the Agency shall be by roll call, and the yeas and nays shall be entered on the minutes of such meeting; except in the case of appointments when the vote may be by ballot.

#### **Section 6. Place of Meeting**

The Board may hold its meetings at the principal office of the Agency as described in Section 3 of Article I, or at such place or places within the State of New York as the Board may from time to time by resolution determine.

#### **Section 7. Annual Meetings**

The annual meeting of the Agency shall be held on such date in each year as may be determined by the Board, but in no event later than 75 days after the first day of each calendar year. In the event that such day shall fall on a Saturday, Sunday or legal holiday, the annual meeting shall be held on the next succeeding day that is not a Saturday, Sunday or legal holiday. Notice shall be given as hereinafter provided for special meetings of the Board.

#### **Section 8. Regular Meetings**

Regular meetings of the Board may be held with notice at such times as may be fixed by resolution of the Board.

#### **Section 9. Special Meetings**

Special meetings of the Board shall be held whenever called by the Chair or in the absence of the Chair by a Vice Chair, or by any two (2) of the Members. Notice shall be given orally or by email and shall state the purposes, time, and place of the meeting not less than two (2) days before the meeting. At such special meeting no business shall be considered other than that designated in the notice, but if all Members are present at a special meeting, with or without notice thereof, any and all business may be transacted at such meeting.

## **Section 10. Waivers of Notice**

Notice of a meeting need not be given to any Member 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 11. Quorum**

A majority of the entire Board of shall constitute a quorum for the transaction of business. A majority of the Members present, whether or not a quorum is present, may adjourn any meeting to another time and place without notice to any Member.

## **Section 12. Compensation**

Members shall receive no compensation for their services but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

## **Section 13. Annual Independent Audit**

- a) The Audit/Finance Committee shall present to the Board upon its completion, the annual independent audit report performed in accordance with the requirements of the IDA Act, the PAAA, the NYGML and generally accepted government auditing standards certified by a firm of independent public accountants selected by the Board pursuant to Section 1 of Article III of these By-laws. The certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit/Finance 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 Agency as of the end of the fiscal year.
  - (ii) The principal changes in assets and liabilities, including trust funds, during said fiscal period;
  - (iii)The revenue or receipts of the Agency, both unrestricted and restricted to particular purposes during said fiscal period;
  - (iv)The expenses or disbursements of the Agency for both general and restricted purposes, during said fiscal period; and
  - (v) A schedule of the bonds and notes of the Agency outstanding during said fiscal period, including all refinancings, calls, refundings, defeasements, and interest rate exchange or other such agreements, and for any debt issued during the fiscal period, together with a statement of the amounts redeemed and incurred during such fiscal period as a part of a schedule of debt issuance that include the date of issuance, term, amount, interest rate, means of repayment and cost of issuance.

- b) Furthermore, the certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit/Finance Committee the following:
- (i) All critical accounting policies and practices to be used;
  - (ii) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Agency, 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 Agency, 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 III - COMMITTEES**

### **Section 1. Audit/Finance Committee**

There shall be an Audit/Finance Committee to be comprised of not less than three Independent Members, who shall be elected by a plurality of the votes cast by the members of the Agency at each Annual Meeting and shall serve until the next Annual Meeting. To the extent practicable, members of the Audit/Finance Committee should be familiar with corporate financial and accounting practices. The Audit/Finance Committee shall recommend to the Board the hiring of a certified independent accounting firm in compliance with the Public Authorities Law of New York State to conduct the annual independent audit, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the annual independent audit; and shall keep the Board informed of its review of proposals for the issuance of debt by the Agency and its subsidiaries and make recommendations to the Board.

### **Section 2. Governance Committee**

There shall be a Governance Committee to be comprised of not less than three Independent Members, who shall be elected by a plurality of the votes cast by the members of the Agency at each Annual Meeting and shall serve until the next Annual Meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Agency's corporate governance principles, and advise the Appointing Authority on the skills and experience required of potential members.

### **Section 3. Other Committees**

The Board may from time to time designate other committees as it deems necessary and desirable to assist the Agency to perform its duties in accordance with applicable law. Each such committee

created by the Board shall consist of such persons and shall have such authority as is provided in the resolution designating the committee.

#### **Section 4. Meetings**

Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chair of the Board or the chair of such committee upon the advice and consent of all of the Members of the Board or the Members of such committee.

#### **Section 5. Quorum and Manner of Acting**

Unless otherwise provided by resolution of the Board, a majority of all of the Members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of all of the Members of the committee shall be the act of the committee. The procedures and manner of acting of the committees of the Board shall be subject at all times to the directions of the Board.

#### **Section 6. Tenure of Members of Committees of the Board**

Each committee of the Board and every member thereof shall serve at the pleasure of the Board.

#### **Section 7. Alternate Members**

The Board may designate one (1) or more members as alternate members of any standing committee of the Board, who may replace any absent member or members at any meeting of such committee.

### **ARTICLE IV - BOARD OFFICERS**

#### **Section 1. Officers**

The Officers of the Agency's Board shall be a Chair, one (1) or more Vice Chairs, a Treasurer, a Secretary and/or such other officers as the Board may in its discretion determine, including an Assistant Secretary and an Assistant Treasurer who may be staff assigned to assist the board in its duties. Any two (2) or more offices may be held by the same person, except the offices of Chair and Secretary.

#### **Section 2. Term of Office and Qualifications.**

Those officers whose titles are specifically mentioned in Section 1 of this Article IV shall be elected by the Board at its Annual Meeting. Unless a shorter term is provided in the resolution of the Board electing such officer, the term of office of each officer shall extend to the next Annual Meeting and until the officer's successor is elected and qualified. The Chair shall be elected from among the Members.

#### **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 may from time to time determine.

#### **Section 4. Removal of Officers**

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

#### **Section 5. Resignation**

Any officer may resign his or her position as an officer at any time by giving written notice to the Board, to the Chair or to the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time be specified, then upon delivery.

#### **Section 6. Vacancies**

A vacancy in any office shall be filled by the Board.

#### **Section 7. Chair**

The Chair shall preside at all meetings of the Board at which the Chair is present. In the absence or incapacity of the Chief Executive Officer or the Chief Operational Officer, and except as otherwise authorized by resolution of the Board, the Chair shall execute all agreements, contracts, deeds, and any other instruments of the Agency. At each meeting, the Chair shall submit recommendations and information as he or she may consider proper concerning the business, affairs, the bonds, the projects and facilities of the Agency, the economic benefits to be conferred on project applicants and occupants, and the policies of the Agency. Nothing in the provision shall be construed as granting the Chair the exclusive right to bring matters before the Agency for consideration.

#### **Section 8. Vice Chairs**

In the absence or incapacity to act of the Chair, or if the office of Chair be vacant, the Vice Chair or, if there be more than one Vice Chair, the Vice Chairs in order of seniority as determined by the Board, shall preside at all meetings of the Board, and shall perform the duties and exercise the powers of the Chair, subject to the right of the Board from time to time to extend or confine such powers and duties or to assign them to others. Each Vice Chair shall have such powers and shall perform such other duties as may be assigned by the Board or the Chair.

#### **Section 9. Treasurer**

The Treasurer shall, if required by the Board, obtain a bond for the faithful discharge of his or her duties, in such sum and with such sureties as the Board shall require. The Treasurer shall oversee the Chief Financial Officer of the Agency and shall all review the books and accounts of the Agency and shall advise the Chief Financial Officer of the Agency with respect to the charge, custody and investment of all funds and securities of the Agency, and the Treasurer shall ensure the proper deposit by the Chief Financial Officer of the Agency all such funds in the name of and to the credit of the Agency 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 may be assigned by the Board.

### **Section 10. Assistant Treasurer**

The Assistant Treasurer shall carry out the duties of the Treasurer in the absence of the Treasurer.

### **Section 11. Secretary**

It shall be the duty of the Secretary to act as secretary of all meetings of the Board, and to keep the minutes of all such meetings in a proper book or books to be provided for that purpose. The Secretary shall see that all notices required to be given by the Agency are duly given and served and shall keep a current list of the Members and officers of the Agency's Board and their residence addresses. The Secretary shall be custodian of the seal of the Agency and shall affix the seal, or cause it to be affixed, to all agreements, documents and other papers requiring the same. The Secretary shall have custody of the minute book containing the minutes of all meetings of Members, the Executive Committee, and any other committees which may keep minutes, and of all other contracts and documents which are not in the custody of the Treasurer of the Agency, or in the custody of some other person authorized by the Board to have such custody.

### **Section 12. Assistant Secretary**

The Assistant Secretary shall carry out the duties of the Secretary in the absence of the Secretary.

### **Section 13. Appointed Officers**

The Board may delegate to any officer or committee the power to appoint and to remove any subordinate officer, agent or employee.

## **ARTICLE V - EXECUTIVE OFFICERS AND OTHER PERSONNEL**

### **Section 1. Chief Executive Officer (CEO)/ Executive Director**

The Agency shall appoint a Chief Executive Officer by resolution. The Chief Executive Officer of the Agency shall have general supervision and management of the Agency and all Agency staff and employees shall report to the Chief Executive Officer. The Chief Executive Officer shall be charged with the management of all projects of the Agency and leading the Agency in carrying out its Mission Statement. Except as may otherwise be authorized by a resolution adopted by the Board, the Chief Executive Officer shall execute all agreements, bonds, notes, contracts, agreements, deeds, leases and any other instruments of the Agency. The Chief Executive Officer shall assist the Chairman with such matters as the Chairman or the Board may request in furtherance of the Agency's public purposes. The Chief Executive Officer shall also perform all other duties customarily incident to the office of an Chief Executive Officer of a public benefit corporation and public authority of the State of New York and such other duties as from time to time may be assigned by the Board.

## **Section 2. Chief Operations Officer (COO)/ Deputy Executive Director**

The Agency shall appoint an Chief Operations Officer by resolution. The Chief Operations Officer of the Agency shall be charged with the day to day management of the Agency and shall report to the Chief Executive Officer. The Chief Operations Officer shall cause the preparation and distribution of all annual reports required by the IDA Act and the PAAA and as may otherwise be required by the Office of the Comptroller of the State of New York. The Chief Operations Officer shall be the Freedom of Information Officer of the Agency in accordance with the provisions of the New York State Freedom of Information Law, Article 6 of the New York Public Officers Law. Except as may otherwise be authorized by a resolution of the Board, if the office of the Chief Executive Officer shall be vacant the Chief Operations Officer of the Agency shall be the Acting Chief Executive Officer of the Agency until such time as the Board has appointed a replacement Chief Executive Officer.

## **Section 3. Chief Financial Officer (CFO)/ Fiscal Officer**

The Agency shall appoint a Chief Financial Officer by resolution. The Chief Financial Officer shall assist the Chief Executive Officer and the Chief Operations Officer in the carrying out of the Agency's Mission Statement and in fulfillment of the Agency's public purposes under the IDA Act and the PAAA. The Chief Financial Officer shall keep and maintain the books and accounts of the Agency and shall have charge and custody of, all funds and securities of the Agency, and shall deposit all such funds in the name of and to the credit of the Agency in such banks, trust companies, or other depositories as shall be selected by the Board. The Chief Financial Officer of the Agency, in consultation with the Chief Executive Officer and Chief Operations Officer of the Agency shall cause the preparation of the annual budget of the Agency for submission to the Board for approval and he or she shall cause the distribution of all copies of the annual budget of the Agency to all persons required by the IDA Act and the PAAA. The Chief Financial Officer shall assist the Audit/Finance Committee of the Board in carrying out their functions.

## **Section 4. Compliance Officer**

The Agency shall appoint a Compliance Officer by resolution, who may be the Chief Executive Officer or any other employee of the Agency. The Compliance Officer shall be responsible for insuring that the Agency complies with all financial and other reporting requirements imposed by structure, 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) for disposition of real and personal property in accordance with the provisions of the PAAA.

## **Section 5. Additional Personnel**

The Agency may from time to time employ such personnel as, upon the recommendation of the Chief Executive Officer, the Agency deems necessary to exercise the Agency's powers, duties and functions as prescribed by the IDA Act, the PAAA, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

## **Section 6. Municipal Personnel**

The Agency may, with the consent of the Board and the Wayne County Board of Supervisors, use the agents, employees, and facilities of Wayne County. In such event, the Agency will, by resolution, enter into a contract with Wayne County providing the terms upon which Wayne County will provide the use of its agents, employees, and facilities to the Agency and the compensation, if any, that the Agency shall pay to Wayne County for the use by the Agency of Wayne County's agents, employees and facilities.

## **ARTICLE VI - CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS**

### **Section 1. Execution of Contracts**

The Board, except as in these By-laws otherwise provided, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Agency 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, or expressly authorized by these By-laws, no officers, agent or employee shall have any power or authority to bind the Agency 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 Agency unless specifically authorized by the Board.

### **Section 3. Checks, Drafts, etc.**

All checks, drafts and other orders for the payment of money out of the funds of the Agency, and all notes or other evidences of indebtedness of the Agency, shall be signed by the Chief Executive Officer along with the second signature of a member of the Board, in such manner as determined by resolution of the Board.

### **Section 4. Deposits**

All funds of the Agency not otherwise employed shall be deposited from time to time to the credit of the Agency in such banks, trust companies, or other depositories as the Board may select or in the absence of such selection by the Board, as the Chief Executive Officer shall select.

## **ARTICLE VII - INDEMNIFICATION AND INSURANCE**

### **Section 1. Authorized Indemnification**

Unless clearly prohibited by law or Section 2 of this Article VI, the Agency shall indemnify any person (“Indemnified Person”) made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Agency, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a Member or officer of the Agency, or (b) in addition is serving or served, in any capacity, at the request of the Agency, as a Member or officer of any other Agency, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Agency shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

### **Section 2. Prohibited Indemnification**

The Agency shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board in good faith determines, that such person’s acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

### **Section 3. Advancement of Expenses**

The Agency shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Agency, pay or promptly reimburse the Indemnified Person’s reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Agency, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article VI. An Indemnified Person shall cooperate in good faith with any request by the Agency that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

### **Section 4. Indemnification of Others**

Unless clearly prohibited by law or Section 2 of this Article VI, the Board may approve Agency indemnification as set forth in Section 1 of this Article VI or advancement of expenses as set forth in Section 3 of this Article VI, to a person (or the testator or intestate of a person) who is or was employed by the Agency or who is or was a volunteer for the Agency, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the

request of the Agency in any capacity for any other Agency, partnership, joint venture, trust, employee benefit plan or other enterprise.

### **Section 5. Determination of Indemnification**

Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court the Board shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-laws. Before indemnification can occur the Board must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article VI. No Member with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Members is not obtainable, the Board shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these By-laws.

### **Section 6. Binding Effect**

Any person entitled to indemnification under these By-laws has a legally enforceable right to indemnification which cannot be abridged by amendment of these By-laws with respect to any event, action or omission occurring prior to the date of such amendment.

### **Section 7. Insurance**

The Agency is not required to purchase Members' and officers' liability insurance, but the Agency may purchase such insurance if authorized and approved by the Board. To the extent permitted by law, such insurance may insure the Agency for any obligation it incurs as a result of this Article VI or operation of law and it may insure directly the Members, officers, employees or volunteers of the Agency for liabilities against which they are not entitled to indemnification under this Article VI as well as for liabilities against which they are entitled or permitted to be indemnified by the Agency.

### **Section 8. Nonexclusive Rights**

The provisions of this Article VI shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board is authorized to enter into agreements on behalf of the Agency with any Member, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article VI, subject in all cases to the limitations of Section 2 of this Article VI.

## **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 Agency policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any Member of his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or she, 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 Conflicts of Interest**

A Member or officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his or her 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 Secretary of the Agency 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 Agency 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 Chair of the Board the material facts surrounding any actual or potential conflict of interest, including specific information concerning the terms of any contract or transaction with the Agency. 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 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 Agency and the arrangements are consistent with the best interests of the Agency. Fairness includes, but is not limited to, the concepts that the Agency should pay no more than fair market value for any goods or services which the Agency receives and that the Agency should receive fair market value consideration for any goods or services that it furnishes others. The Board shall set forth 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 Agency.

#### **Section 4. Validity of Actions**

No contract or other transaction between the Agency and one or more of its Members or officers, or between the Agency 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 Agency, 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 Agency are present at the meeting of the Board, or of a committee thereof, which authorizes such contract or transaction, or that his or her, 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 authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of 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. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Member or officer should not be present at the meeting.

#### **Section 5. Employee Conflicts of Interest**

An employee of the Agency with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his or her supervisor. 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 Agency decisions which are the subject of the conflict will be determined. The Chair shall be responsible for determining the proper way for the Agency to handle Agency decisions which involve unresolved employee conflicts of interest. In making such determinations, the Chair may consult with legal counsel. The Chair 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 Chair has approved.

### **ARTICLE IX - COMPENSATION**

#### **Section 1. Reasonable Compensation**

It is the policy of the Agency to pay no more than reasonable compensation for personal services rendered to the Agency by officers and employees. The Members of the Agency's Board shall not receive compensation for fulfilling their duties as Members, although Members may be reimbursed for actual out-of-pocket expenses which they incur in order to fulfill their duties as Members. Expenses of spouses will not be reimbursed by the Agency unless the expenses are necessary to achieve an Agency purpose.

#### **Section 2. Approval of Compensation**

The Board must approve in advance the amount of all compensation for officers of the Agency's Board. Before approving the compensation of an officer, the Board shall determine that the total compensation to be provided by the Agency to the officer is reasonable in amount in light of the position, responsibility and qualification of the officer for the position held, including the result of an evaluation of the officer's prior performance for the Agency, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Agency to the individual in payment for services. At the time of the discussion and decision concerning an officer's compensation, the officer should not be present in the meeting. The Board shall obtain and consider appropriate data concerning comparable compensation paid to similar officers in like circumstances. The Board shall set forth the basis for its decisions with respect to compensation in the minutes of the meeting at which the decisions are made, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable in light of the evaluation and the comparability data.

## **ARTICLE X - GENERAL**

### **Section 1. Books and Records**

There shall be kept at the office of the Agency: (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 Agency, (3) a current list of the Members of the Board and the officers of the Agency and their residence addresses, (4) a copy of these By-laws, (5) a copy of the Agency's application for recognition of exemption with the Internal Revenue Service, and (6) 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 Agency 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 Agency 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 commence on January 1 in each calendar year and shall end on December 31 of each calendar year.

### **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 Agency and the adhere to the highest standards of responsible governance.

**Section 5. Order of Business.** At the regular meetings of the Agency, the following shall be the order of business, unless an alternative order shall be approved by the Chair:

1. Roll Call
2. Reading and approval of the minutes of the previous meeting
3. Bills and Communications
4. Report of Treasurer
5. Reports of Committees
6. Unfinished Business
8. Adjournment

## **ARTICLE XI - AMENDMENTS**

### **Section 1. Amendments to By-laws**

The By-laws of the Agency may be amended or repealed only with the approval of at least a majority of all of the Members of the Board at a regular meeting or special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all Members of the Board.