

FULTON COUNTY CENTER FOR REGIONAL GROWTH, INC.

OFFICIAL BY-LAWS

ARTICLE I.

Name, Territory and Office

Section 1. *Name.* The Corporation shall be known as Fulton County Center for Regional Growth, Inc.

Section 2. *Territory.* The Corporation shall conduct operations primarily in the State of New York subject to changes by the aforementioned Corporation.

Section 3. *Office.* The principal office of the Corporation shall be located in the County of Fulton, State of New York. This office shall direct Corporation operations and be the depository for all Corporation records. The Corporation may also have offices at such other places within the state as the board may from time to time determine or the business of the Corporation may require.

ARTICLE II.

Purpose

This Corporation is a non-profit economic development and education organization operating throughout the Fulton County Region and the State of New York. The purposes of the Corporation include:

- a) Provide programs and services of education through a variety of mediums to the public to achieve sustainable economic and social improvement within distressed communities in the **Fulton County Region**;
- b) Provide programs and services designed to establish greater economic self-sufficiency for individuals in low and moderate income areas of **Fulton County Region** and the public at large elsewhere;
- c) Stimulate results-oriented socio-economic development that ensures that the benefits of economic growth accrue to low and moderate income workers, families and community members, helping them create wealth, and reporting on the same regularly;
- d) Advance socio-economic change by increasing public awareness about the impact of economic development and investment decisions;
- e) Educate business, government, academic and community leaders to help spur community development, and ensure that the benefits of community development accrue to low and moderate income individuals, their families and neighborhoods;
- f) Provide professional and clerical assistance services to any expanding or start-up business in the county;

- g) Offer business consultation and/or financial assistance referrals; and prepare and administer loans and grant applications for businesses it is assisting through local or state funded programs;
- h) Strengthen the economic base of communities by assisting community-based organizations and enterprises that promote economic development, and providing programs and services in the support of the same;
- i) Build the long-term capacity of community-based organizations and enterprises by providing access to affordable capital and technical assistance;
- j) Mentor students and other thought-leaders in the development of their community and how they can contribute to the area's socio-economic well-being;
- k) Identify current opportunities and assets that are already present in the **Fulton County Region** and coordinate, guide and nurture them so that they have the largest positive community impact;
- l) Measure social returns on community investments in order to determine which types of community investments have the greatest community impact, reporting the same;
- m) Advocate with business, government, academic and community leaders in order to help spur community development, and ensure that the benefits of community development accrue to individuals, their families and neighborhoods;
- n) Provide investors with a reliable mechanism for channeling their capital to effective community development projects, and;
- o) Conduct all lawful activities that may be useful in accomplishing the foregoing purposes.

ARTICLE III.

Membership

Section 1. *Classes of Members.* The Corporation shall have two classes of membership; voting and non-voting. Voting members shall consist of those members who participate at the diamond, platinum, gold, silver, bronze and associate levels of membership. CRG will offer Municipal Memberships to cities, villages, and townships located within Fulton County. Honorary members shall be non-voting members. Any person, business organization, corporation, association or governmental unit interested in the industrial, commercial, and economic development of the Fulton County area may apply to become a member of the Corporation. The Board of Directors shall establish the class designations, powers, and associated dues of the various membership classes.

Section 2. *Approval of Members.* Members shall be approved on application to the Board of Directors and upon receiving a majority vote of the Directors present at any special or regular meeting of the Board of Directors, subject, however, to payment of dues, if any.

Section 3. *Honorary Members.* The Board of Directors, at a duly organized meeting, may elect Honorary Members by the majority vote of the Directors present. Such Honorary Members may be exempt from the payment of dues and shall have no voting rights, but shall be entitled to attend meetings and participate in discussions.

Section 4. *Voting Rights.* Each Member of the Corporation, with the exception of Honorary Members, shall be entitled to one vote on each matter duly submitted to a vote of the Members.

Section 5. *Proxies.* Each voting member of the Corporation shall be allowed to cast their vote by proxy when unable to attend any Membership Meeting. The Proxy for a Membership Meeting shall state the purpose or purposes for which it is being called and will indicate which Board Director(s) shall represent the Member at said meeting. The Proxy shall be deemed as valid only if signed by the Member and returned to the Corporation prior to said Membership Meeting. A copy of the notice of any meeting shall be given, personally or by first class mail not less than ten (10) nor more than fifty (50) days before the date of the meeting, or by another class of mail not less than thirty (30) nor more than sixty (60) days before such date, to all Members entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon pre-paid, directed to the Member at the Member's address as it appears on the record of Members, or if the Member has filed with the Secretary a written request that notices to the Member be mailed to some other address, then directed to the Member at such other address.

Section 6. *Resignation.* Any Member may resign from membership in the Corporation by filing a written resignation with the Secretary. Such notice of resignation shall be presented by the Secretary to the Board of Directors at the first meeting following receipt of said notice of resignation.

No Member shall be accorded a refund for dues paid.

Section 7. *Termination of Membership.* The Board of Directors, by affirmative vote of two-thirds of all members of the Board, may suspend or expel a Member for cause. The Board of Directors, by a majority vote of those present at any regularly constituted meeting, may terminate the membership of any Member who becomes ineligible for membership. The Board of Directors may suspend or expel any Member who shall be in default in the payment of dues as provided in these by-laws. In all of these cases, written notice of such proposed action will be given to the Member at least ten (10) days before the meeting of the Board of Directors and the Member will be given an opportunity to be heard at said meeting.

Section 8. *Reinstatement.* On written request, filed by the Secretary, the Board of Directors, by affirmative vote of two-thirds of the members of the Board, may reinstate a Member on such terms as the Board of Directors may deem appropriate.

Section 9. *Transfer of Membership.* Membership in this Corporation is not transferable or assignable.

Section 10. *Certificate of Membership.* The Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the Chair, or a Vice Chair, and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the Corporation. The name and address of each Member and the date of issuance on the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore on such terms and conditions as the Board of Directors may determine.

Section 11. *Issuance of Certificates.* When a Member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his name and delivered to him by the Secretary, if the Board of Directors shall have provided for the issuance of certifications of membership.

Section 12. *Annual Meeting.* A meeting of the Members entitled to vote shall be held for the election of Directors and the transaction of business by the end of the calendar year, each year as determined by the Board of Directors. For the purposes of this meeting, a quorum will be established by twenty (20) members, consisting of the sum of members attending the annual meeting in person and valid membership proxies as defined in Section 5.

Section 13. *Special Meetings.* Special Meetings of the Members entitled to vote may be called at any time by the Chair, or a majority vote of the Board of Directors, provided there is a quorum at the meeting of the Board of Directors at which the action for a Special Meeting is taken, or upon the written request of at least ten (10) percent of the qualified voting Members of the Corporation.

Section 14. *Action by Members Without a Meeting.* Whenever, under the Not-for-Profit Corporation Law, the Membership is required or permitted to take any action or vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all the Members entitled to vote thereon without abstention or dissension.

Section 15. *Place of Meetings.* Meetings of the Membership shall be held at the principal office of the Corporation or at such other place, within or outside the State of New York, as may be fixed by the Board of Directors.

Section 16. *Notice of Meetings.*

16.1. *Written Notice.* Written notice shall be given to Members entitled to vote of each meeting of the Membership. Notices shall state the place, dates and hours of the meeting and, unless it is an annual meeting or convention, shall also indicate that it is being issued by or at the direction

of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which it is being called. A copy of the notice of any meeting shall be given, personally or by first class mail not less than ten (10) nor more than fifty (50) days before the date of the meeting, or by another class of mail not less than thirty (30) nor more than sixty (60) days before such date, to all Members entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon pre-paid, directed to the Member at the Member's address as it appears on the record of Members, or if the Member has filed with the Secretary a written request that notices to the Member be mailed to some other address, then directed to the Member at such other address.

16.2. *Notice by Publication.* Provided this Corporation has more than five hundred (500) Members, notice of meetings of the Membership may be served by publication, in lieu of mailing, in a newspaper published in the county in the state in which the principal office of this Corporation is located, once a week for three (3) successive weeks next preceding the date of the meeting.

16.3. *Waiver of Notice.* Notice of meetings of the Membership need not be given to any Member entitled to vote who submits a signed waiver of notice, whether before or after the meeting. The attendance of any Member entitled to vote at a meeting without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by the Member.

ARTICLE IV.

Board of Directors

Section 1. *General Management.* The general management of the affairs of this Corporation shall be vested in a Board of Directors. The Board of Directors shall have control of the property of the Corporation and shall determine its policies with the advice of its various committees. It shall have power to employ necessary staff and other help, to authorize expenditures and take all necessary and proper steps to carry out the purposes of this Corporation and to promote its best interest. It shall assess the quality of the Corporation's actions and operations; oversee the implementation of all Board approved strategic and long-range plans; coordinate the development, marketing, fundraising and public relations operations of the Corporation; and establish and maintain standards of employment and benefits for employees of the Corporation. In regard to corporate operations, the Board of Directors shall be responsible for reviewing programmatic controls and stated objectives.

Section 2. *Number.* The Board of Directors shall consist of nine (9) Directors. The President/Chief Executive Officer and Chief Fiscal Officer of this Corporation shall not be *ex officio* members of the Board of Directors and have no powers thereat whatsoever, being invited to attend meetings of the Board of Directors in their sole discretion or in the Chair of the Board's sole discretion. As used in this Article, the term "the entire Board of Directors" shall mean the

total number of Directors entitled to vote that the Corporation would have if there were no vacancies.

Section 3. *Qualifications.* Each member of the Board of Directors must be at least eighteen (18) years of age. A director or officer of Fulton County Center for Regional Growth, Inc. may also serve as such for either Fulton County Economic Development Corporation or Crossroads Incubator Corporation. Three (3) directors or officers of Fulton County Center for Regional Growth, Inc. shall serve on the Board of Directors of the Fulton County Economic Development Corporation. Three (3) directors or officers of Fulton County Center for Regional Growth, Inc. shall serve on the Board of Directors of the Crossroads Incubator Corporation. A director or officer of Fulton County Economic Development Corporation may also serve as such for Crossroads Incubator Corporation and vice-versa, but that same director or officer may not also serve as such for the Fulton County Center for Regional Growth, Inc., so that no director or officer Fulton County Economic Development Corporation, Crossroads Incubator Corporation, or Fulton County Center for Regional Growth, Inc. shall serve simultaneously as a Director of all of three Corporations. No employee of Fulton County Economic Development Corporation, Crossroads Incubator Corporation or any other Fulton County Center for Regional Growth, Inc. -affiliated not-for-profit corporation shall serve as a Director of this Corporation.

Section 4. *Selection Procedure, Terms of Office, Newly Created Directorships & Vacancies.*

4.1. *Selection Procedure.* The initial Directors shall be the persons named in the Certificate of Incorporation. Said Directors shall serve until the first Annual Meeting of the Board of Directors. At the first Annual Meeting of the Board of Directors, the initial Directors shall divide prospective Directors into three (3) classes by Resolution and those Directors shall each have terms of one (1) year, two (2) years and three (3) years respectively. Thereafter, at the Annual Meeting, the Membership, pursuant to Article III, shall elect Directors to replace those whose terms are expiring to a term of three (3) years. The Membership shall have the ability to elect six (6) Directors. The Fulton County Supervisors shall have the ability to appoint three (3) Directors to the Board without membership approval.

4.2. *Terms of Office.* Except in the case of resignation or removal under these By-Laws, Directors shall hold office until the expiration of their terms and the election of their successors. The terms of office for all Directors shall begin on the first day of the calendar year following election unless otherwise specified when elected. No Director may serve more than three (3) consecutive full terms without a hiatus from Board services of at least three (3) years.

4.3. *Newly Created Directorships.* Newly created Directorships resulting from an increase in the number of Directors shall be filled by vote of a majority of Directors then in office, regardless of their number. Directors elected to fill newly created Directorships shall hold office in accordance with their classification and until their successors have been elected and qualified.

4.4. *Vacancies.* A vacancy in office shall arise upon the death, resignation, removal or lapse of membership of a Director. Except in the cases of the office of Chair, a vacancy on the Board of Directors occurring in the interim between annual meetings may be filled by an interim successor appointed by the Board of Directors or, in the case of those Directors appointed by the Fulton County, replaced by appointment of a new Director by the Board of Supervisors. At the next annual meeting following the vacancy, the Membership may elect a permanent successor for the vacated position. In the event that the interim successor is subsequently elected to serve as a permanent successor, the first year of his/her term shall be deemed to have commenced upon his/her election. Those Directors appointed by Fulton County shall be appointed at the next Annual Meeting.

Section 5. *Resignation.* A Director may resign at any time by giving written notice to the Board of Directors, the Chair or the Secretary of the Corporation. The resignation shall take effect upon receipt thereof by the Board of Directors, the Chair or the Secretary, and the acceptance of the resignation shall not be necessary to make it effective.

Section 6. *Suspension & Removal.*

6.1. *Suspension.* Except those appointed by Fulton County, any or all of the members of the Board of Directors may be suspended for cause by a two-thirds (2/3) majority vote of the Board at any Annual Meeting, Regular Meeting or Special Meeting of the Board called for that purpose, provided there is a quorum for the meeting at which the action is taken. The period of suspension can last only until such time as the next Annual Meeting. At any meeting where a vote is to be taken to suspend a member of the Board, the Director in question may attend and shall be given a reasonable opportunity to argue in his/her defense. The Fulton County Board of Supervisors shall have the authority to suspend any or all of the Directors appointed by Fulton County.

6.2. *Removal.* Except those appointed by Fulton County, any or all of the members of the Board of Directors may be removed with or without cause by a two-thirds (2/3) majority vote of the Board at any Annual Meeting or Special Meeting of the Board called for that purpose, provided there is a quorum for the meeting at which the action is taken. At any meeting where a vote is to be taken to remove a member of the Board, the Director in question may attend and shall be given a reasonable opportunity argue in his/her defense. he Fulton County Board of Supervisors shall have the authority to remove any or all of the Directors appointed by Fulton County.

Section 7. *Meetings.*

7.1. *Annual Meetings.* Within six (6) months of the end of the Corporation's fiscal year, the Board of Directors shall convene an Annual Meeting of the Board for the purpose of organization and the transaction of other business. Notice of the Annual Meeting need only be given to members entitled to vote thereat, by regular mail no more than thirty (30) days and no less than ten (10) days.

7.2. *Regular Meetings.* The Board of Directors shall endeavor to convene Regular Meetings and at no time less than monthly. Regular Meetings of the Board of Directors may be held, with, or without, notice at such times as may be fixed from time to time.

7.3 *Special Meetings.* Special Meetings of the Board of Directors shall be held whenever called by the Chair, the Secretary, or any three (3) Directors. Notice of Special Meetings shall be given personally or by telephone, electronic mail, facsimile or first class mail and shall state the specific purposes, time and place of the meeting. If notice is given personally, or by electronic mail, or by facsimile, or by telephone it shall be given not less than one (1) day before the meeting; if it is given first class mail, it shall be given not less than five (5) days before the meeting.

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.

Section 9. *Place of Meetings.* The Board of Directors may hold its meetings at the principal office of the Corporation, or at such place or places within or without the State of New York as the Board of Directors may from time to time by resolution determine.

Section 10. *Quorum.* A quorum shall be required for the legal and proper conduct of the business of the Board of Directors. A majority of the total number of members of the Board of Directors then in existence shall constitute a quorum for the transaction of any business.

Section 11. *Adjournment.* A majority of Directors present at a meeting of the Board of Directors, whether or not a quorum is present, may adjourn any meeting to another time and place. Reasonable notice, given personally or by telephone, electronic mail, facsimile or first class mail, of the adjournment shall be given to all Directors who were absent at the time of the adjournment, and unless the purposes, time and place of the meeting are announced at the adjourned meeting, to the other Directors

Section 12. *Organization.*

12.1. *Chair.* At all meetings of the Board of Directors, the Chair, or, in his/her absence, the Vice-Chair or, in his/her absence, another Director chosen by the Board shall preside.

12.2. *Secretary.* At all meetings of the Board of Directors, the Secretary, or, in his/her absence, any Assistant Secretary or, in his/her absence, another Director chosen by the Board shall act as secretary of the meeting.

Section 13. *Action by the Board of Directors.*

13.1. *Action Defined.* Except as otherwise provided by law or in these By-Laws, an “Action,” or “Act,” of the Board of Directors shall mean an action at a meeting of the Board authorized by vote of a majority of the Directors present at the time of the vote, provided a sufficient quorum is present. The purchase, sale, mortgage or lease of real property shall only be authorized by vote of a two-thirds (2/3) majority of the Directors present at the time of the vote, provided a sufficient quorum is present. The sale, lease, exchange or other disposition of all, or substantially all, the assets of the Corporation shall only be authorized by vote of a two-thirds (2/3) majority of the Directors present at the time of the vote, provided a sufficient quorum is present, and by a court of competent jurisdiction in the county where the Corporation maintains its principal place of business, if required by law.

13.2. *Written Consent.* Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all of the members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

13.3. *Electronic Communication.* Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 14. *Executive Committee.* As more fully set forth in Section 5 of Article VI of these By-Laws, the Executive Committee shall have and may exercise all the powers of the Board of Directors only in emergency situations when the full Board cannot be assembled and action is needed. The Executive Committee must report any action taken to the Board of Directors at its next meeting.

Section 15. *Voting.* Each member of the Board of Directors shall have one vote. Directors cannot vote by proxy. Abstentions are not affirmative votes; a majority of affirmative votes is required to carry any Board action.

Section 16. *Attendance.* A member of the Board of Directors who has missed three (3) consecutive meetings without reasonable cause shall be deemed to have resigned his/her Directorship.

ARTICLE V.

Officers

Section 1. *Offices, Election, Terms.*

1.1. *Offices.* The Board of Directors shall elect by majority vote a Chair, Vice Chair, Secretary and Treasurer, and such other Officers as it may determine, who shall be given such duties, powers and functions as hereinafter provided. The Board shall also appoint a President/Chief Executive Officer, as an employee of the Corporation, who shall be given such duties, powers and functions as hereinafter provided. The President/Chief Executive Officer may also appoint a Chief Fiscal Officer, as an employee of the Corporation, who shall be given such duties, powers and functions as hereinafter provided. Any two or more offices may be held by the same person, except the offices of Chair and President/Chief Executive Officer, the Chair and Secretary, the President/Chief Executive Officer and Secretary, or the President/Chief Executive Officer and Chief Fiscal Officer.

1.2. *Election.* Excepting the President/Chief Executive Officer and Chief Fiscal Officer, Officers shall be elected to hold office for one (1) year from the date of election. Each Officer shall hold office for the term for which he or she is elected and until his/her successor has been elected. The President/Chief Executive Officer and Chief Fiscal Officer, as employees of the Corporation, shall not be subject to annual reappointment, but shall serve at the pleasure and discretion of the Board of Directors.

1.3. *Terms.* Directors selected to hold the offices of Chair, Vice Chair, Secretary and Treasurer shall serve no more than three (3) consecutive terms in any one office, and while in office shall be subject to term limitation as members of the Board of Directors as otherwise required by Article IV of these By-Laws. The President/Chief Executive Officer and Chief Fiscal Officer, as employees of the Corporation, shall not be limited subject to term limitation, but shall serve at the pleasure and discretion of the Board of Directors.

Section 2. *Removal, Resignation.* Officers serve at the discretion of the Board of Directors. Any Officer elected by the Board may be removed by the Board. In the event of the death, resignation or removal of an Officer, the Chair of the Board shall appoint an acting successor to fill the unexpired term. This appointment shall be confirmed or disapproved by the full board within the next two regular meetings.

Section 3. *Duties.* Each Officer shall report to the Board of Directors on such matters that they have come to act or omit to act on in between the Meetings of the Board of Directors in an acceptable format at the discretion of the Board of Directors.

3.1. *Chair.* The Chair shall be the principal officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He/she shall preside at all meetings of the Board of Directors. The Chair, the Secretary or any other proper officer of the Corporation authorized by the Board of Directors may sign any deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other Officer or agency of the Corporation. In general, the Chair shall perform all duties as may be prescribed by the Board of Directors from time to time.

3.2. *Vice Chair.* In the absence of the Chair, or in the event of his/her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as from time to time may be assigned to him/her by the Chair and/or the Board of Directors. Upon the death, resignation or removal of the Chair, the Vice Chair shall fill the vacancy of the office of Chair and hold said office for the remainder of the prior Chair's term and until his/her successor has been elected and qualified. In the event that the Vice Chair, as an interim successor, is subsequently elected to serve as Chair, as a permanent successor, the first year of his/her term shall be deemed to have commenced upon his/her election, without regard to the duration of interim service.

3.4. *Secretary.* The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these by-laws or as required by law, and be custodian of the corporate records of the Corporation. The Secretary shall also be the custodian of the Minutes of all Committees of the Corporation, publishing the same in the Minutes of impending Board Meetings. The Secretary shall keep a register of the post office address of each member and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the Chair and/or the Board of Directors. In addition, the Secretary shall notify members of their election to office or their appointment to committees and keep a record of the transactions of the Corporation and of the Executive Board.

3.5. *Treasurer.* The Treasurer shall be responsible for the supervision of an account of all monies received or expended by the by the Corporation. In general, the treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the Chair or the Board of Directors. He/she shall report to the Board at all meetings, according to a format prescribed by the Board of Directors.

3.6. *President/Chief Executive Officer.* The Board of Directors shall employ a President/Chief Executive Officer who shall, subject to the overall control and direction of the Board, have general charge, oversight and direction of the affairs and business of the Corporation, and sole responsibility for the employment and discharge of staff. He/she shall serve at the pleasure of the Board of Directors. The President/Chief Executive Officer shall be the principal administrative officer of the Corporation, charged with the duties of effectuating the purposes of the Corporation, carrying out the directives of the Board of Directors and performing any and all functions necessary and proper to ensure that the policies, objectives and aims of the Corporation are carried out. He/she may be invited to attend meetings of the Board of Directors at their discretion and may be asked to participate in all committees of the Board if so appointed in an *ex-officio*, non-voting capacity. Within the limits of the Corporation's programs, policies and budget, the provisions of these By-Laws and the Certificate of Incorporation and mandates of the law, the President/Chief Executive Officer shall have the authority to execute agreements, incur obligations, perform administrative duties and delegate assignments.

3.7. *Chief Fiscal Officer.* Subject to the approval of the Chief Executive Officer to whom the Chief Fiscal Officer is accountable, the Chief Fiscal Officer shall have general charge of the administrative fiscal procedures of the Corporation, and together with the President/Chief Executive Officer, the Treasurer and the Chair and such Committees as these by-laws shall from time-to-time determine, have general charge of the fiscal policies of the Corporation as well. Subject to the approval of the Chief Executive Officer, he/she shall select and supervise the fiscal staff, and shall perform such other duties as the Chief Executive Officer may delegate, including those duties of the chief fiscal officer of the Corporation, carrying out the directives of the Chief Executive Officer, and generally performing any and all of the fiscal functions necessary and proper to effectively carry out the fiscal objectives and policies of the Corporation and its Board of Directors, including certain duties ordinarily performed by the Treasurer. He/she may be invited to attend meetings of the Board of Directors at their discretion and may be asked to participate in all committees of the Board if so appointed in an *ex-officio*, non-voting capacity. He/she shall also advise the Board of Directors of any and all transactions between the Corporation, and its Subsidiaries, that involve the Chief Executive Officer and the Chief Fiscal Officer or other members of management that have interaction with the Board of Directors or with the Officers of the Corporation.

ARTICLE VI.

Committees

Section 1. *Appointments.*

1.1. *Standing Committees.* The Chair shall, subject to approval of the Board of Directors, appoint the following Standing Committees: Executive Committee, Audit Committee, Finance Committee, and Governance Committee.

1.2. *Ad Hoc Committees.* Additional committees may be created and appointed by the Chair with the consent of the Board of Directors as needed for special purposes.

Section 2. *Qualifications.* The Board of Directors may establish or waive qualifications for committee membership at its discretion.

Section 3. *Meetings.* Unless otherwise provided by these By-Laws or a resolution of the Board of Directors, 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 Committee or by a majority vote of all of the members of the Committee. Minutes of the Meetings of all Committees shall be properly kept by a Committee member designated by the Chair of the respective Committee in conformity with the practice and form of the Minutes of the Corporation, being tendered to the Secretary of the Corporation prior to any Board Meeting. The Secretary shall then incorporate the Committee Minutes into the Board Minutes by attaching the same.

Section 4. *Quorum and Manner of Acting.* Unless otherwise provided by resolution of the Board of Directors, 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 discretion of the Board of Directors.

Section 5. *The Executive Committee.* The Executive Committee shall consist of the Chair, Vice Chair, Secretary, and Treasurer. At the discretion of the Chair, subject to the approval of Board, the Chair of the Finance Committee, Chair of the Audit Committee and the Chair of the Governance Committee may also serve as members of the Executive Committee. The immediate past Chair of the Board shall continue as a member of the Executive Committee for a period of one (1) year following the completion of his/her term. The Executive Committee may convene at will, on short notice and/or to have quarterly operational meetings. Decisions resulting from non-emergency meetings shall be reviewed with the Full Board for a vote on any actions to be taken. The Executive Committee shall only act if there is no regular meeting of the Board scheduled or where a Special Meeting of the Board of Directors is not able to be scheduled by operation of these bylaws. The Chair shall serve as the Chair of the Executive Committee. It shall be subject to the orders and mandates of the Board of Directors. The Committee's actions shall not conflict with acts taken by the Board of Directors. All actions of the Executive Committee shall be reported to the Board of Directors. Meetings of the Executive Committee may be called by the Chair or Vice-Chair by providing notice to the other members of the Executive Committee personally or by electronic mail, or by facsimile or by telephone not less than one (1) day before the meeting. The Executive Committee shall have and may exercise all the powers of the Board of Directors only in emergency situations when the full Board cannot be assembled and action is needed. The Executive Committee must report any action taken to the Board of Directors at its next meeting. A majority of the total number of members of the Committee shall constitute a quorum, but a lesser number may adjourn the meeting.

Section 6. *Audit Committee.*

6.1 Purpose. The purpose of the Audit Committee shall be to (1) assure that CRG's Board fulfills its responsibilities for the authority's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the Board of Directors.

6.2 Powers of the Audit Committee. It shall be the responsibility of the Audit Committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by CRG.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from CRG employees, all of whom should be directed by the Board to cooperate with Committee requests.

- Meet with authority staff, independent auditors or outside counsel, as necessary
- Retain, at CRG's expense, such outside counsel, experts and other advisors as the Audit Committee may deem appropriate.

6.3 Composition of Committee and Selection of Members. The Audit Committee shall consist of at least three members of the Board of Directors who are independent of CRG's operations. The Board will appoint the Audit Committee members and the Audit Committee Chair.

Audit Committee members shall be prohibited from being an employee of CRG or an immediate family member of an employee of CRG. In addition, Audit Committee members shall not engage in any private business transactions with CRG or receive compensation from any private entity that has material business relationships with CRG, or be an immediate family member of an individual that engages in private business transactions with CRG or receives compensation from an entity that has material business relationships with CRG.

Ideally, all members on the Audit Committee shall possess or obtain a basic understanding of financial reporting and auditing.

The Audit Committee shall have access to the services of at least one financial expert; whose name shall be disclosed in CRG's annual report.

The Audit Committee's financial expert should have (1) an understanding of generally accepted accounting principles and financial statements; (2) experience in preparing or auditing financial statements of comparable entities; (3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; (4) experience with internal accounting controls and, (5) an understanding of Audit Committee functions.

6.4 Meetings. The Audit Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlines in the charter.

Members of the Audit Committee are expected to attend each committee meeting, in person or via telephone or video conference. The Audit Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The Audit Committee will meet with CRG's independent auditor at least annually to discuss CRG's financial statements.

Meeting agendas will be prepared for every meeting and provided to the Audit Committee members along with briefing materials five business days before the scheduled Audit Committee meeting. The Audit Committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

6.5 Responsibilities. The Audit Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) CRG's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) miscellaneous issues related to CRG's financial practices.

6.6 Independent Auditors and Financial Statements. The Audit Committee shall:

- Appoint, compensate and oversee independent auditors retained by CRG and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. CRG's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support CRG's operations, such as bookkeeping or other services related to CRG's accounting records or financial statements, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve CRG's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

6.7 Internal Auditors. The Audit Committee shall:

- Review with management and the internal audit director, the charter, activities, staffing and organizational structure of the internal audit function. The audit committee shall have authority over the appointment, dismissal, compensation and performance reviews of the internal audit director.
- Ensure that the internal audit function is organizationally independent from authority operations.
- Review the reports of internal auditors and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor.

6.8 Internal Controls, Compliance and Risk Assessment. The Audit Committee shall:

- Review management’s assessment of the effectiveness of CRG’s internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

6.9 Special Investigations. The Audit Committee shall:

- Ensure that CRG has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of CRG or any persons having business dealings with CRG or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

6.10 Other Responsibilities of the Audit Committee. The Audit Committee shall:

- Present annually to CRG’s Board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the Committee members’ understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the Committee’s charter annually, reassess its adequacy, and recommend any proposed changes to the CRG Board. The Audit Committee Charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the Board approval for proposed changes.

Section 7. *Finance Committee.*

7.1 Purpose. The purpose of the Finance Committee is to oversee CRG’s debt and debt practices and to recommend policies concerning CRG’s issuance and management of debt.

7.2 Duties of the Finance Committee. It shall be the responsibility of the Finance Committee to: Review proposals for the issuance of debt by CRG and its subsidiaries 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 CRG.

Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by CRG, and to oversee the work performed by these individuals and firms on behalf of CRG.

Meet with and request information from CRG staff, independent auditors and advisors or outside counsel, as necessary, to perform the duties of the Committee.

Retain, the CRG'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 CRG and its subsidiaries.

Annually review CRG's financing guidelines and make recommendations to the Board concerning criteria that should govern its financings. These should include security provisions required for 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 CRG'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.

7.3 Composition of Committee and Selection of Members. The Finance Committee shall consist of not less than three independent members of the Board of Directors, who shall constitute a majority on the Committee. If the Board has less than three independent members, non-independent members may be appointed to the Committee provided that the independent members constitute a majority of the Committee. CRG's Board shall appoint the Finance Committee Members and the Finance Committee Chair. Members shall serve on the Committee at the discretion of the Board. Members appointed to the Committee shall have the background necessary to perform its duties.

7.4 Meetings. The Finance Committee shall meet at such times as deemed advisable by the Chair, but not less than twice a year. The Committee must meet prior to any debt issuance planned to be undertaken by CRG.

Members of the Finance Committee are expected to attend each committee meeting, in person or via telephone or videoconference. The Finance Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the Committee Members present, if participating through telephone or videoconference, shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to Finance Committee members, along with briefing materials, five business days before the scheduled Finance Committee meeting. The Finance Committee may act only on the affirmative vote of a majority of the members or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the Committee's meeting shall be prepared and presented to the Board at its next scheduled meeting following the meeting of the Committee.

Meetings of the Committee are open to the public and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

7.5 Review CRG's Annual Budget. The Finance Committee shall:

- Review CRG's proposed annual operating budget as presented by CRG management for the upcoming fiscal year.
- Recommend the annual budget to the Board for approval after incorporating necessary amendments.
- Monitor and report to the Board on CRG's compliance with its adopted budget during the fiscal year (actual versus estimated budget) on a monthly/quarterly basis.

7.6 Oversee CRG's Investments. The Finance Committee shall:

- Annually review CRG's investment policy and evaluate allocation of assets.
- Review and recommend to the Board approval of CRG's annual investment report.
- Annually review CRG's audit of investments as provided by independent auditors.
- Recommend to the Board the selection of investment advisors.
- Monitor the economic performance of CRG's 403B and Sep IRA retirement plans.

7.7 Assess CRG's Capital Requirements and Capital Plan. The Finance Committee shall:

- Assess the financial requirements of CRG's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is required and an explanation of funding sources for capital projects such as grants, issuance of debt or specified pay-as-you-go resources.
- Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the Board.

7.8 Review Financial and Procurement Thresholds. The Finance Committee shall:

- Review and make recommendations to the Board regarding any proposed procurements submitted to the Committee by CRG's procurement officer.
- Review and recommend changes to CRG's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to CRG's uniform tax exemption policy that includes general provisions for entering into payment-in-lieu-of-taxes (PILOT) agreements and allowing tax exemptions.
- Review and recommend changes to CRG's fee schedules.

- Review the scope and terms of CRG's insurance policies and liability coverage on an annual basis.

Section 8. *Governance Committee.*

8.1 Purpose. The purpose of the Governance Committee is to assist the Board by:

Keeping the Board informed of current best practices in corporate governance.

Reviewing corporate governance trends for their applicability to CRG.

Updating CRG's corporate governance principles and governance practices.

Advising those responsible for appointing Directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members.

8.2 Powers of the Governance Committee. The Board of Directors has delegated to the Governance Committee the power and authority necessary to discharge its duties, including the right to:

Meet with and obtain any information it may require from CRG staff.

Obtain advice and assistance from in-house or outside counsel, accounting and other advisors as the committee deems necessary.

Solicit, at CRG's expense, persons having special competencies, including legal, accounting or other consultants as the committee deems necessary to fulfill its responsibilities. The Governance Committee shall have the authority to negotiate the terms and conditions of any contractual relationship subject to the Board's adopted procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Board for its approval.

8.3 Composition and Selection. The Governance Committee shall be comprised of three (3) independent members. The Governance Committee members shall be appointed by, and will serve at the discretion of CRG's Board of Directors. The Board may designate one member of the Governance Committee as its Chair. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified. When feasible, the immediate past Governance Committee Chair will continue serving as a member of the Committee for at least one year to ensure an orderly transition.

Governance Committee members shall be prohibited from being an employee of CRG or an immediate family member of an employee of CRG. In addition, Governance Committee members shall not engage in any private business transactions with CRG or receive compensation from any private entity that has material business relationships with CRG, or be an immediate family member of an individual that engages in private business transactions with CRG or received compensation from an entity that has material business relationships with CRG.

The Governance Committee members should be knowledgeable or become knowledgeable in matters pertaining to governance.

8.4 Committee Structure and Meetings. The Governance Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting, in person or via telephone or videoconference.

Meeting agendas will be prepared for every meeting and provided to the Governance Committee members at least five days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The Governance Committee shall act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings are to be recorded.

8.5 Reports. The Governance Committee shall:

- Report its actions and recommendations to the Board at the next regular meeting of the Board.
- Report to the Board, at least annually, regarding any proposed changes to the governance charter or the governance guidelines.
- Provide a self-evaluation of the Governance Committee's functions on an annual basis.

8.6 Responsibilities. To accomplish the objectives of good governance and accountability, the Governance Committee has responsibilities related to: (a) the CRG's Board; (b) evaluation of the CRG's policies; and (c) other miscellaneous issues.

8.7 Relationship to CRG's Board. The Board of Directors has delegated to the Governance Committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the Governance Committee has specific expertise, as follows:

- Develop CRG's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight.
- Develop the competencies and personal attributes required of Directors to assist those authorized to appoint members to the Board in identifying qualified individuals.

In addition, the Governance Committee shall:

- Develop and recommend to the Board the number and structure of Committees to be created by the Board.
- Develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled Board Member training to be obtained from state-approved trainers.
- Develop and provide recommendations to the Board on performance evaluations, including coordination and oversight of such evaluations of the Board, its Committees and senior management in CRG's governance process.

8.8 Evaluation of CRG's Policies. The Governance Committee shall:

- Develop, review on a regular basis, and update as necessary CRG's code of ethics and written policies regarding conflicts of interest. Such code of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees.
- Develop and recommend to the Board any required revisions to CRG's written policies regarding the protection of whistleblowers from retaliation.
- Develop and recommend to the Board any required revisions to CRG's equal opportunity and affirmative action policies.
- Develop and recommend to the Board any required updates on CRG's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence CRG's procurement process.
- Develop and recommend to the Board any required updates on CRG's written policies regarding the disposition of real and personal property.
- Develop and recommend to the Board any other policies or documents relating to the governance of CRG, including rules and procedures for conducting the business of CRG's Board, such as CRG's By-Laws. The Governance Committee will oversee the implementation and effectiveness of the By-Laws and other governance documents and recommend modifications as needed.

8.9 Other Responsibilities. The Governance Committee shall:

- Review on an annual basis the compensation and benefits for the President and CEO and other senior CRG officials.
- Annually review, assess and make necessary changes to the Governance Committee Charter and provide a self-evaluation of the Governance Committee.

ARTICLE VII.

Amendments

Section 1. *By-Law Amendment.* These By-Laws may be amended, repealed or altered in whole, or in part, at any Annual Meeting, Regular Meeting or Special Meeting called for that purpose, by a two-thirds (2/3) majority vote of the Board of Directors, and a two-thirds (2/3) majority vote of those entitled to cast ballots for a resolution of the Membership, provided there is a quorum for all corporate meetings at which such actions are taken.

Section 2. *Certificate of Incorporation.*

2.1. *Amendment.* An amendment, repeal or alteration, in whole or in part, of the Corporation's Certificate of Incorporation shall be authorized by a two-thirds (2/3) majority vote of the Board of Directors and a two-thirds (2/3) majority vote of those entitled to cast ballots for a resolution of the

Membership, if applicable, at any Annual Meeting, Regular Meeting or Special Meeting called for that purpose, provided there is a quorum for all corporate meetings at which such actions are taken, and shall become effective once all statutory approvals are subsequently secured and the applicable Certificate of Amendment or Restated Certificate of Incorporation is accepted for filing by the New York State Department of State.

2.2. *Governing Effect.* If there is any conflict between the provisions of the Certificate of Incorporation, as may be amended, and these By-Laws, the provisions of the Certificate of Incorporation shall govern.

ARTICLE VIII.

Annual Audit

The accounts of the Corporation shall be audited each year by an independent Certified Public Accountant who is not an officer, board member or employee of the Corporation.

ARTICLE IX.

Compensation, Reimbursement & Loans

Section.1. *Compensation.* Other than individuals appointed to the office of President/Chief Executive Officer and Chief Fiscal Officer, no elected Director, Officer or member of a Committee shall receive compensation for his/her services. The Board of Directors shall be empowered to provide reasonable compensation, together with reimbursement for reasonably incurred expenses, for offices or positions not afforded voting privileges for purposes of corporate decision-making, as well as for the President/Chief Executive Officer and Chief Fiscal Officer.

Section 2. *Loans.* No loans shall be made by the Corporation to its Directors, Officers, members of committees or to any other corporation, firm, association or other entity in which one or more of its Directors, Officers or committee members are Directors or Officers or hold a substantial financial interest, except for any corporation, firm, association or other entity closely affiliated with Fulton County Center for Regional Growth, Inc., such as subsidiaries of the Corporation, if any.

ARTICLE X.

Conflict of Interest

Section 1. *Definitions.* A conflict of interest is a situation in which the financial, familial, or personal interests of a director or employee come into actual or perceived conflict with their duties and responsibilities with CRG. Perceived conflicts of interest are situations where there is the appearance that a board member and/or employee can personally benefit from actions or decisions made in their official capacity, or where a board member or employee may be

influenced to act in a manner that does not represent the best interests of CRG. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a board member may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this Policy.

Board members and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director or employee has or will have:

- A financial or personal interest in any person, firm, corporation or association which has or will have a transaction, agreement or any other arrangement in which CRG participates.
- The ability to use his or her position, confidential information or the assets of CRG, to his or her personal advantage.
- Solicited or accepted a gift of any amount under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any action on his/her part.
- Any other circumstance that may or appear to make it difficult for the board member or employee to exercise independent judgment and properly exercise his or her official duties.

Outside Employment of Authority's Employees: No employee may engage in outside employment if such employment interferes with his/her ability to properly exercise his or her official duties with CRG.

Section 2. *Abstention.* A Director shall abstain from voting on any matter before the Board that places him/her in a conflict of interest.

Section 3. *Procedures.*

Duty to Disclose: All material facts related to the conflicts of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to the Governance Committee and/or the Ethics Officer. Such written disclosure shall be made part of the official record of the proceedings of CRG and shall be done by the filing of the Conflict of Interest Disclosure Form, which is attached to this policy as **Exhibit A**. This form shall be filed by March 31st of every calendar year by each Director.

Determining Whether a Conflict of Interest Exists: The Governance Committee and/or Ethics Officer shall advise the individual who appears to have a conflict of interest how to proceed. The Governance Committee and/or Ethics Officer should seek guidance from counsel or New York State agencies, such as the Authorities Budget Office, State Inspector General or the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.

Recusal and Abstention: No board member or employee may participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Board members and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other board members or employees in the deliberation and voting on the matter.

Records of Conflicts of Interest: The minutes of the authority's meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.

Reporting of Violations: Board members and employees should promptly report any violations of this policy to his or her supervisor, to CRG's ethics officer, general counsel, or human resources representative, in accordance with CRG's Whistleblower Policy and Procedures.

Penalties: Any director or employee that fails to comply with this policy may be penalized in the manner provided for in law, rules or regulations.

ARTICLE XI.

Construction

If there is any conflict between the provisions of the Certificate of Incorporation and the By-Laws, the provisions of the Certificate of Incorporation shall govern.

ARTICLE XII.

Contracts, Loans, Bank Checks & Drafts & Bank Deposits

Section 1. *Contracts.* The Board of Directors, except as these By-Laws may otherwise provide, may authorize any officer or officers, agent or agents, in the name 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, or expressly authorized by these By-Laws, no Officers, agents or employees shall have the power or authority to bind the Corporation by any contract or engagement or to pledge its credit or render it financially liable 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. *Bank Checks and Drafts.* All bank checks and drafts and all other such orders for the payment of monies out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. *Bank 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 Board of Directors may select.

ARTICLE XIII.

Dissolution

Section 1. *Dissolution.* This Corporation may be dissolved by a two-thirds (2/3) majority vote of the Members present at any Annual Meeting or Special Meeting called for that purpose following a dissolution plan submitted by the Board of Directors.

Section 2. *Plan.* A dissolution plan may be submitted to the Membership upon a two-thirds (2/3) majority vote of the Board of Directors.

Section 3. *Residual Assets.* Upon dissolution of the organization, any residual assets shall be donated to not-for-profit organization(s) with similar purposes of this organization.

ARTICLE XIV.

Harassment

Harassment of any kind is not productive and will not be tolerated by this Corporation. Any individual bound by these By-Laws who is subject to verbally abusive language relating to gender, race, religion, or age, or who experiences sexually oriented physical touching or suggestive language is encouraged to report it immediately to the Chair. Any individual bound by these By-Laws who is aware of such verbally or physically abusive conditions should report such activity immediately. The general policy will be reflected in the personnel procedures and program procedures promulgated by the Corporation to cover its staff as appropriate. However,

nothing in this Article will bind the staff of the Corporation, who will instead be covered by the procedures contained in their personnel policies and program procedures.

ARTICLE XV.

Indemnification of Directors, Officers & Employees

Section 1. *Authorized Indemnification.* Unless clearly prohibited by law or these Bylaws, this Corporation shall indemnify any person (an "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 the Corporation, by reason of the fact that s/he (or her/his Testator or Administrator, if then deceased), whether before or after adoption of this Article: (a) is or was a Director or Officer of the Corporation, or; (b) is serving or served, in any capacity, at the request of the Corporation, as a Director or Officer of any other corporation, 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 Corporation 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.

Section 2. *Prohibited Indemnification.* The Corporation shall not indemnify any person if a judgment, or other final adjudication, adverse to any Indemnified Person establishes, or the Board of Directors 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 s/he personally garnered any financial profit or other advantage to which s/he was not legally entitled.

Section 3. *Advancement of Expenses.* The Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or promptly reimburse an 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 Corporation, with interest, for any amount advanced for which it is ultimately determined that s/he is not entitled to be indemnified under the law or these Bylaws. An Indemnified Person shall cooperate in good faith with any request by the Corporation 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 these Bylaws, the Board of Directors may approve indemnification by the Corporation, as set forth in Section 1 of this Article, or advancement of expenses as set forth in Section 3 of this Article, to a person (or her/his Testator or Administrator, if then deceased) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, 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 Corporation in any capacity for any other corporation, 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 of Directors shall, upon written request by an Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these Bylaws. Before indemnification can occur, the Board of Directors must expressly find that such indemnification will not violate the provisions of Section 2 of this Article. No Director 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 Directors is not obtainable, the Board of Directors 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 Bylaws.

Section 6. *Binding Effect.* Any person entitled to indemnification under these Bylaws has a legally enforceable right to indemnification, which cannot be abridged by amendment of these Bylaws with respect to any event, action or omission occurring prior to the date of such amendment.

Section 7. *Insurance.* The Corporation is required to purchase Directors and Officers (“D & O”) liability insurance. To the extent permitted by law, such insurance shall insure the Corporation for any obligation it incurs as a result of this Article, or operation of law, and it may insure directly the Directors, Officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article, as well as for liabilities against which they are entitled or permitted to be indemnified by the Corporation.

Section 8. *Nonexclusive Rights.* The provisions of this Article shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board of Directors is authorized to enter into agreements on behalf of the Corporation with any Director Officer, employee or volunteer to provide them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 2 of this Article.

ARTICLE XV.

Indemnification of Employees

Section 1. *Actions.* The Corporation shall indemnify any and all employees of the Corporation against judgments, fines, amounts paid in settlement and reasonable expenses, including attorney’s fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, in connection with any claim asserted against the employee by court action, or otherwise, by reason of the fact that such employee acted in good faith for a purpose which he/she

reasonably believed to be in the best interest of the Corporation and, in criminal actions of proceedings, in addition, had no reasonable cause to believe that his/her conduct was unlawful.

Section 2. *Non-exclusivity.* Section 1 of this article shall not be exclusive but shall include, by implication, any and all rights and remedies available to the Corporation and its employees by statute or otherwise, including but not limited to the purchase and maintenance of insurance to fund the aforementioned indemnification pursuant to the Not-for-Profit Corporation Law.

ARTICLE XVI.

Rules of Order

In all matters of parliamentary procedure not covered or contradicted by these by-laws, the Laws of the State of New York, in particular the Not-for-Profit Corporation Law, the rules and regulations of the State of New York as codified in the New York Code of Rules and Regulations (NYCRR), the Internal Revenue Service Code, and the Income Tax Regulations promulgated there under, and by the contracts entered into by the Corporation with government, foundation or other funding sources, Roberts Rules of Order, newly revised, shall be used as a guideline in answering all questions of proper parliamentary procedure.

ARTICLE XVIII.

Leases

Section 1. *N-PCL 509.* N-PCL Section 509 allows an organization to lease real property, but only when authorized by a 2/3 supermajority of the entire Board, unless a Board consists of more than twenty-one members, in which case a majority of the entire Board will suffice. Additionally, be advised that where the leased of real property consists of “all or substantially all” of an organization’s assets membership and or Attorney general and Supreme Court approvals will be required pursuant to N-PCL Section 501.

Section 2. *Super-Majority vote of the Board of Directors.* In any transaction where the organization endeavors to purchase, mortgage, sell or lease real property of the organization, it will first determine if such transaction constitutes a disposition of “all or substantially all” of its assets and if so shall obtain the consents required by N-PCL Section 510 or these bylaws. In any event where real property is disposed of, same shall not occur except with the consent of a 2/3 majority vote of the entire Board at a regular meeting or special meeting called for that purpose.

THE FOREGOING DOCUMENT IS A TRUE AND ACCURATE PHOTOCOPY OF THE BY-LAWS
OF FULTON COUNTY CENTER FOR REGIONAL GROWTH, INC. DULY ADOPTED BY THE
BOARD OF DIRECTORS.

Dated: December 18, 2020
Fulton County, NY



Chair



Vice Chair



Secretary



FULTON COUNTY CENTER FOR REGIONAL GROWTH

Conflict of Interest Disclosure Form

PLEASE CIRCLE 'YES' OR 'NO' AND ANSWER AS APPROPRIATED.

- 1. Have you had a direct or indirect business relationship during the past fiscal year or current year with Fulton County Center for Regional Growth, INC. through ownership of more than 35% with any person who is a current or former officer, director, trustee or key employee of Fulton County Center for Regional Growth, INC.?**

Yes (please describe below) No

- 2. Do you have a family member who had a direct or indirect business relationship with Fulton County Center for Regional Growth, INC. during the past fiscal year or current year?**

Yes (please describe below) No

3. ***Did you serve as an officer, director, trustee, key employee, partner or member of an entity (or a shareholder of a professional corporation) that did business with Fulton County Center for Regional Growth, INC. during the past fiscal year, is currently or may be doing business in the current fiscal year?***

Yes (please describe below) No

*According to the Conflict of Interest provisions in **CRG's Conflict of Interest Policy**, please state any relevant disclosures that are not covered by the previous questions.:*

Section 1. *Definitions.* A conflict of interest exists when a matter to be acted upon by the Board of Directors confers a direct, substantial benefit to any director, business or agency from which a director of the board derives an income or has authority in governance. For purposes of these By-Laws, service on the Board of Directors of, or affiliation with, any corporation, firm, association or other entity closely affiliated with Fulton County Center for Regional Growth, Inc., such as subsidiaries of the Corporation, shall not constitute a conflict of interest for members of the Board of Directors of this Corporation with respect to assessments, determinations or resolutions concerning any such Fulton County Center for Regional Growth, Inc.-affiliated entity.

Section 2. *Abstention.* A Director shall abstain from voting on any matter before the Board that places him/her in a conflict of interest.

Section 3. *Procedures.* The procedures outlined in *Exhibit B* are to be followed in any matter concerning a potential or perceived conflict of interest. In addition and prior to voting on a matter where a potential conflict of interest exists for any Director, the Chair shall inquire whether any Director of the Board desires to abstain from voting because of a conflict of interest and any Director of the Board shall declare that he/she abstains from voting if a conflict of interest exists. Prior to voting on any matter, a Director of the Board may be requested by any other director of the board to abstain from voting because of a conflict of interest. If the challenged Director refuses to abstain from voting as requested, the Chair shall immediately call for a vote of the Directors to determine whether the

Exhibit B



FULTON COUNTY CENTER FOR REGIONAL GROWTH

Procedures to handle a perceived conflict of interest

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In

conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy
 - a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings

1. The minutes of the governing board and all committees with board delegated powers shall contain:
 - a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
 - b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.