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Columbia Economic Development Corporation

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF MEETING

Please take notice that there will be a meeting of the Columbia Economic Development Corporation Governance and Nominating Committee held on February 21, 2018 at 8:30am, at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: February 14, 2018

Sarah Sterling

Secretary

Columbia Economic Development Corporation

CEDC Governance and Nominating Committee Agenda

Chairman:

Jim Campion

Members:

David Fingar

Tony Jones

James Lapenn

Michael Polemis

Gary Spielmann

Sarah Sterling

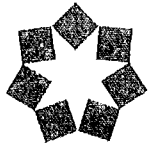
1. Minutes from January 24, 2018 meeting*
2. By-Law Changes*
3. Annual Meeting Preview
4. Other Business
5. Public Comment

Attachments:

Draft January 24, 2017 Minutes

By-Law Changes

* Requires Approval



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**MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
GOVERNANCE and NOMINATING COMMITTEE
Wednesday, January 24, 2018
4303 Route 9
Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Governance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on January 24, 2018. The meeting was called to order at 8:30am by James Campion, Chairman.

Attendee Name	Title	Status	Arrived/Departed
James Campion	Committee Chair	Present	
David Fingar	Committee Member	Present	Departed 9:15am
Tony Jones	Committee Member	Present	
James Lapenn	Committee Member	Excused	
Michael Polemis	Committee Member	Excused	
Gary Spielmann	Committee Member	Present	
Sarah Sterling	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	Counsel	Present	
Brandon Dory	Project Manager	Excused	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Martha Lane	Business Development Specialist	Present	
Ed Stiffler	Economic Developer	Excused	
Carol Wilber	Marketing Director	Present	Arrived 8:40am

Minutes:

Ms. Sterling made a motion, seconded by Mr. Fingar to approve the minutes from November 8, 2017. Carried.

Corporate Officers:

Mr. Tucker reminded the Committee that the by-laws required Officers and the President/CEO be elected annually. The Committee proposed the following slate of officers to serve for the 2018 term.



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Chair – Tony Jones
Vice-Chair – David Fingar
Treasurer – Richard Bianchi
Secretary – Sarah Sterling
CEO/President - F. Michael Tucker

Ms. Sterling made a motion, seconded by Mr. Spielmann to recommend the previously outlined slate to the CEDC board for approval at the January 30, 2018 meeting. Carried.

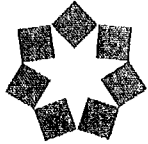
Committee Chairs/Members:

Mr. Jones reminded the Committee the Board had voted to change the status of the Workforce and Education Committee from ad hoc to a standing committee. He noted the Workforce and Education Committee as well as the Loan Committee lacked Chairs. He stated the Loan Committee continued to have difficulty obtaining quorums for meetings, noting the by-laws provided for appointment of Committee members from outside the Board of Directors.

Mr. Tucker informed the Committee that Chairman of the Board of Supervisors had appointed Supervisor John Reilly from Gallatin as the Board of Supervisors ex-officio representative. To date, the Board of Supervisors had not yet appointed a new member to the IDA Board to replace James Mackerer.

The Committee discussed options for the Loan Committee, deciding upon a committee of five members with two alternates. The alternates would vote if there was not a quorum of the Committee or if there was a conflict with one of the members. Mr. Howard was asked to draft proposed changes to the by-laws for further consideration. *Mr. Fingar made a motion, seconded by Ms. Sterling to recommend Mr. Bianchi, Mr. Jones, Mr. Lee, Mr. Sherwood and Mr. Stair as the slate of Loan Committee members. Carried.* Mr. Howard noted the change to the by-laws would need to be approved by the Corporation membership at the April Annual meeting. Mr. Tucker also suggested that a change to the by-laws be considered that would allow loan requests be presented directly to the CEDC Board if the Loan Committee was unable to meet to discuss the request.

The Committee recommended the following slate of the Workforce and Education Committee member to the CEDC Board: Ms. Adams, Mr. Bartolotta, Mr. Calvin, Ms. Finnegan, Ms. Fritsch, Mr. Jones, Mr. Lee, Mr. Lapenn, Mr. Polemis and Dr. Suttmeier.



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By-Law Changes:

The Committee reviewed the by-laws and proposed the following changes:

Page 2, Article II, Section 1, Sentence 2: Delete “the Board of Directors of this”

Page 5, Article III, Section 2 (iv): Clarify that the term starts with the election by the Corporate members at the Annual Meeting in April.

Page 6, Article III, Section 2 (e): The Committee reviewed and this will remain as currently stated.

Page 8, Article III, Section 12 (a): Clarify to state “A majority of the *voting members of the* Board of Directors shall constitute a quorum...”

Page 8, Article III, Section 13: Clarify by inserting “*voting*” where appropriate in order to differentiate ex officio Board Members from voting Board Members.

Page 9, Article III, Section 15: Discussed, no changes suggested.

Page 12, Article IV, Section 1 (b): Add (v) Workforce Development and Education Committee.

The changes would be drafted by Mr. Howard and presented to the CEDC Board for review, at the January 30, 2018 meeting.

Other Business:

Mr. Tucker asked the Committee to consider allowing him to sign checks up to and including \$5,000. He reminded the Committee he was currently able to execute checks in the amount of \$2,500. He noted this would eliminate Board members having to travel to the office to sign checks. He noted the buckslips would still require board initials. *Mr. Spielmann made a motion, seconded by Mr. Fingar to recommend the change be approved by the full board at the next meeting. Carried.*

With no further business to come before the committee and no public present, Mr. Champion called for a motion to adjourn the meeting. *A motion was made by Ms. Sterling, seconded by Mr. Spielmann to adjourn the meeting. Carried. The meeting adjourned at 9:20am.*

Respectfully submitted by Lisa Draushuk

**AMENDED AND RESTATED
BY-LAWS
OF
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**

ARTICLE I

THE CORPORATION

SECTION 1. NAME

The name of the Corporation is "COLUMBIA ECONOMIC DEVELOPMENT CORPORATION" (hereinafter, the "Corporation"), as established pursuant to a Certificate of Incorporation duly filed with the New York State Secretary of State on June 9, 1964, as amended pursuant to a Certificate of Amendment duly filed on November 19, 1992, and as further amended pursuant to a Certificate of Amendment duly filed on December 10, 1993 (collectively referred to herein as the "Certificate Incorporation").

SECTION 2. OFFICES

Pursuant to the Certificate of Incorporation, the principal office of the Corporation shall be located in the County of Columbia, State of New York.

SECTION 3. PURPOSES

- (a) The Corporation is incorporated and shall be operated for the exclusive charitable or public purposes of promoting and providing for additional employment opportunities; encouraging and aiding the expansion of local businesses and the attraction of new businesses; enlarging and diversifying the county's tax base; lessening the burdens of government; while acting to preserve the unique character of Columbia County and its attractiveness to business and employees; and otherwise acting in the public interest to strengthen the local economy.
- (b) In furtherance of its purposes set forth in paragraph (a), but not for any other purpose, the Corporation shall have, in addition to all other powers (including all powers in furtherance of its corporate purposes mentioned in Section 202 of the Not-for-Profit Corporation Law) the following powers: to provide financial assistance to construct, acquire, rehabilitate and improve for use by others various business properties; to provide advice, technical assistance and liaison with federal, state and local authorities to facilitate such activities; to provide loans, grants and other assistance including training to facilitate such business activities; to acquire real or personal property in accordance with this mission; to borrow money and issue negotiable bonds, notes, and obligations; and otherwise to foster and encourage business growth in Columbia County; provided, however, that the Corporation shall not attempt to influence legislation, by propaganda or

otherwise, or participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE II

MEMBERSHIP

SECTION 1. COMPOSITION OF MEMBERSHIP

Any individual, corporation, joint stock association, unincorporated association or partnership may apply for membership. Upon receipt of an application by the Corporation and delivery by the applicant of dues in an amount set by the Board of Directors payable with the application, the applicant may become a member. The Members shall elect the Board of Directors pursuant to Article III hereof. The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein. To the extent a member is an entity (e.g. corporation, partnership, not-for-profit, municipality), said entity shall be entitled to one vote and shall designate a principal representative to vote on behalf of said entity.

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SECTION 2. RIGHTS AND POWERS OF THE MEMBERS

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

SECTION 3. ANNUAL MEETING OF THE MEMBERS

The annual meeting of the Members of the Corporation shall be held within the first six months of the year at a time and place designated by the Board of Directors and specified in the notice of such meeting. At the annual meeting, the Members shall appoint Directors pursuant to Article III hereof for positions where a new directorship is created or the term of a Director has expired, receive the annual report and transact such other business as may properly come before the meeting.

SECTION 4. ANNUAL REPORT TO THE MEMBERS AND REPORTING TO BOARD OF SUPERVISORS

(a) At the annual meeting of the Members, the Directors or designated officer of the Corporation shall present an annual report showing in appropriate detail the following information:

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

- (ii) A summary of the activities of the Corporation during the preceding year.
- (iii) The annual report shall be filed with the minutes of the annual meeting.
- (b). The President and Chief Executive Officer or designated officer of the corporation shall present the annual report at the monthly meeting of the Columbia County Board of Supervisors.
- (c). The President and Chief Executive Officer shall provide a quarterly written report to the Columbia County Economic Development Committee or such other committee as designated by the Columbia County Board of Supervisors, and shall meet and provide a presentation of the corporation's activities upon the request of said committee.

SECTION 5. SPECIAL MEETINGS OF THE MEMBERS

Special meetings of the Members or Members may be called at any time by (i) authorization of the Board of Directors of the Corporation, or (ii) written request of a majority of the Members of the Corporation. Such request shall state the purpose or purposes for the proposed meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of such special meeting; provided, however, if by unanimous consent of the Members present at such meeting elect to transact business not previously described in the aforementioned notice, then the Members may transact such other business. Notice of any special meeting will be carried out in accordance with §104 of the Public Officers Law.

SECTION 6. PLACE OF MEETINGS; ORGANIZATION

All membership meetings shall be held at the principal office of the Corporation or at such other convenient location as may be determined by the Members, except for the Annual Meeting of the Members as set forth in Section 3 of this Article II. The Chairperson of the Board of Directors shall preside at any membership meeting. The Secretary, or, in his or her absence, a person chosen by the Members, shall keep complete and accurate minutes of the meeting.

SECTION 7. NOTICE OF MEMBERSHIP MEETINGS; WAIVERS

(a) Notice of each membership meeting shall state the purpose or purposes for which the meeting is called, the place, date and time of the meeting and, unless it is the annual meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. Such notice shall be given personally, by regular mail or electronic mail to each of the Members not less than ten (10) nor more than fifty (50) days before the date of the meeting. If mailed, the notice is given when deposited in the United States mail, with postage thereon prepaid, directed to each Member at his or her address as it appears on the record of the Corporation or, if he or she shall have filed with the Secretary a written request that notices be mailed to some other address, then directed to such other address.

(b) Formal notice of meeting need not be given to a Member if he or she executes a waiver of notice, either before or after the meeting. The attendance of a Member 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.

SECTION 8. QUORUM OF MEMBERS

(a) The presence of at least one-third of the Members shall constitute a quorum for the transaction of business at any annual or special membership meeting.

(b) A majority of the Members present at a meeting, whether or not a quorum is present, may adjourn any membership meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Members if the time and place is announced at the meeting adjourned.

SECTION 9. ACTION BY THE MEMBERS

Each Member shall be entitled to one vote on each matter properly submitted to the Members for action at any meeting of the Members. The vote of a majority of the entire Membership at a duly convened meeting, provided a quorum is then present, shall be the act of the Members. Pursuant to and in accordance with the Open Meetings Law, Members must be present or participate through video-conference in order to count for purposes of quorum.

SECTION 10. PROPERTY RIGHTS OF MEMBERS

The Members shall not have any rights or interests in or to the property or assets of the Corporation.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. POWER OF BOARD OF DIRECTORS

The Corporation shall be managed by its Board of Directors, which shall establish all general policies governing operations of the Corporation. Each director shall be at least eighteen (18) years of age.

SECTION 2. NUMBER, ELECTION AND TERM OF DIRECTORS

(a) Directors. *The Board of Directors shall consist of seventeen (17) members, not including ex-officio members, who shall be elected from time to time by the Membership. The Directors shall exercise all rights of Directors as described herein and in the Certificate of Incorporation or any applicable resolution. In addition, The Directors shall include a representative appointed by the Chairman of the Board of Supervisors of the County of Columbia, the Chairperson of the Columbia Industrial Development Agency, and the President of the Columbia-Greene Community College, each in an ex officio capacity. Pursuant to and in accordance with Section 703(d) of the Not-for-Profit Corporation Law, and subject to the affirmative vote of the Directors in each case, the foregoing ex officio Directors may each appoint a designee to serve as an alternate Director to serve in the place of said ex officio Director. Any subsequent increase or decrease in the size of the Board of Directors will require the approval of the Members. As used in these By-laws, "the entire Board of Directors" means the total number of voting Directors that the Corporation would have if there were no vacancies on the Board.*

(i) *Ex Officio Directors (or Designee) shall serve a term consistent with the term of their elected or appointed office and shall not be subject to the term limits otherwise set forth herein. Ex Officio Directors (or Designee) shall be non-voting members of the Board of Directors.*

(ii) Directors shall serve staggered terms of two (2) or three (3) years to be determined at the time of nomination by the Governance Committee and as voted upon by the current Directors. All terms shall commence on May 1.

(iii) Directors shall serve no more than six (6) consecutive years. The Governance Committee shall be responsible to stagger terms accordingly to ensure continuity and nominations shall include compliant term lengths.

(iv) Vacancies occurring for any reason shall be filled by the Board of Directors. In each case, such appointments shall be made as soon as practicable. A Director appointed to fill a vacancy shall hold office until approval by the Members at the annual meeting. The time of service prior to formal approval by the membership shall not count toward the six (6) consecutive year term limit.

(v) The Board of Directors shall nominate one or more Members for each expired term on the Board of Directors to be elected by the Members.

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(b) All Directors of the Board shall participate in training approved by the State of New York regarding their legal, fiduciary, financial and ethical responsibilities as Directors within one (1) year of appointment to the Board. Thereafter, the Directors shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the

management and financial activities of the Corporation and the adhere to the highest standards of responsible governance.

(c) As soon as practicable and in compliance with Section 2825 of the Public Authorities Law, the majority of the Directors shall be Independent Directors, as such term is defined in paragraph (e) below.

(d) Independence. For the purposes of these By-Laws, an Independent Director means any person who:

(i) is not, and in the past two (2) years has not been, employed by the Corporation or another corporate body having the same ownership and control of the Corporation in an executive capacity;

(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 Corporation or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000.00) from the Corporation;

(iii) is not a relative of an executive officer or employee in an executive position of the Corporation or another corporate body having the same ownership and control of the Corporation; 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 Corporation or another corporate body having the same ownership and control of the Corporation.

(e) Board Offices. The Chairperson, Vice-Chairperson, Treasurer and Secretary may serve consecutive terms.

(i) CHAIRPERSON. The chair shall preside at all meeting of the Board of Directors. He or she shall have the general powers and duties which usually pertain to his or her office.

(ii) VICE-CHAIRPERSON. The Vice-Chairperson shall, in the absence of or at the request of the Chairperson, perform the duties and exercise the power of the Chairperson.

(iii) SECRETARY. It shall be the duty of the Secretary to supervise the preparation of the minutes of all meetings of the Members, the Board of Directors and its committees, and supervising the giving of all notices required to be given by the Corporation. The Secretary shall oversee the keeping of a current list of the Members, Directors and Officers and their addresses and the preparation and maintenance of the books and records of the Corporation.

(iv) TREASURER. It shall be the duty of the Treasurer to oversee the Chief Financial Officer and the financial affairs of the Corporation. The Treasurer shall cause a financial report to be provided at each regular meeting of the Board of Directors, and shall oversee the preparation of the annual report of the Corporation and the filing of all required tax returns and other regulatory reports.

SECTION 3. RESIGNATIONS AND REMOVAL OF DIRECTORS

(a) Any Director of the Corporation may resign at any time by giving written notice to the other Directors or to the Chairperson or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery. Acceptance of the resignation shall not be necessary to make it effective.

(b) Any Director may be removed from the Board with cause by the Board of Directors.. The Director subject to removal will have an opportunity to be heard before the Board of Directors prior to a Board of Directors vote being taken for his/her removal.

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SECTION 4. ANNUAL MEETING

The annual meeting of the Board of Directors shall be held at the first meeting of the year at a convenient time and location to be determined by the Board of Directors. Written notice shall be mailed or delivered via electronic mail to each Director of the Corporation prior to the meeting in accordance with Public Officers Law §104.

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SECTION 5. ANNUAL REPORT

The Chairperson or an individual designated by the Chairperson shall present at the annual meeting of the Members a copy of the annual report described in Article II, Section 4 above.

SECTION 6. SPECIAL MEETINGS AND NOTICE

Special meetings of the Board of Directors may be called at any time by the Chairperson of the Board of Directors or a majority of Directors of the Corporation. Written notice shall be mailed or delivered via electronic mail to each Director of the Corporation prior to the meeting in accordance with Public Officers Law §104. Said notice shall state the purposes, time and place of the special meeting and that no business other than that specified in the notice may be transacted; provided, however, if by unanimous consent all of the Directors present at such meeting elect to transact business not previously described in the aforementioned notice, then the Directors may transact such other business.

SECTION 7. WAIVERS OF NOTICE

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

SECTION 8. PLACE OF MEETINGS

The Board of Directors may hold its meetings at such place or places as the Directors may from time to time determine.

SECTION 9. OPEN MEETINGS

The Corporation is subject to Open Meetings Law, the Corporation shall comply with the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

SECTION 10. FREEDOM OF INFORMATION

The Corporation is subject to Freedom of Information Law, the Corporation shall comply with the Freedom of Information Law of the State of New York, as set forth within Article 6 of the Public Officers Law.

SECTION 11. PUBLIC AUTHORITIES ACCOUNTABILITY ACT

The Corporation is subject to the Public Authorities Accountability Act of 2005, as amended by Chapter 506 of the Laws of 2009 (collectively, the "PAAA") and shall be operated in compliance with the PAAA, as set forth within the New York State Public Authorities Law, and applicable state and federal law.

SECTION 12. QUORUM AND ADJOURNED MEETINGS

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

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

SECTION 13. ACTION BY THE BOARD OF DIRECTORS

Any corporate action to be taken by the Board of Directors means action at a meeting of the Board. Each Director shall have one vote regarding any corporate action to be taken by the Board. The vote of a majority of the voting members of the entire Board of Directors at a duly convened meeting at which a quorum is present shall be the act of the Board of Directors. All references to actions of the Board of Directors herein and in the Certificate of Incorporation shall mean the affirmative vote of a majority of the voting members of the entire Board of Directors at a duly convened meeting at which a quorum is present. Pursuant to and in accordance with the Open Meetings Law, Directors must be present in order to count for purposes of quorum and voting.

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SECTION 14. ORGANIZATION

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

SECTION 15. ATTENDANCE AT MEETINGS

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

In the event a Director is absent from a meeting without the approval of the Chairperson, said absence shall be deemed "unexcused". The Governance and Nominating and Committee will meet with any Director who is unable to attend more than 3 consecutive meetings to assess the Director's continued ability to commit the time necessary to serve on the Board.

SECTION 16. COMPENSATION

The Directors shall serve in their capacity as Directors of the Corporation without compensation. All Directors may be reimbursed for reasonable expenses incurred in the performance of corporate duties.

SECTION 17. ANNUAL INDEPENDENT AUDIT

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

(i) the assets and liabilities, including the status of reserve, depreciation, special or other funds including the receipts and payments of such funds, of the Corporation as of the end of the fiscal year;

(ii) the principal changes in assets and liabilities, including trust funds, during said fiscal period;

(iii) the revenue or receipts of the Corporation, both unrestricted and restricted, to particular purposes during said fiscal period;

(iv) the expenses or disbursements of the Corporation for both general and restricted purposes, during said fiscal period; and

(v) a schedule of the bonds and notes of the Corporation outstanding during said fiscal period, including all refinancing, calls, refunding, 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.

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

(i) all critical accounting policies and practices to be used;

(ii) all alternative treatments of financial information within generally accepted accounting principals that have been discussed with the management of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the certified independent public accounting firm;

(iii) other material written communications between the certified independent public accounting firm and the management of the Corporation, such as the management letter along with management's response or plan of corrective action, material corrections identified or schedule of unadjusted differences, where applicable.

SECTION 18. PROPERTY RIGHTS

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

ARTICLE IV
COMMITTEES

SECTION 1. STANDING COMMITTEES

(a) The Standing Committees of the Board shall be as described in subparagraph (b) below. Except as otherwise provided by these By-Laws, each Standing Committee shall consist of at least three Directors, who shall be elected to serve a one (1) year term. All Directors shall serve on one or more of the Standing Committees. No Standing Committee shall have authority as to the following matters:

- (i) The submission to the Members of any action requiring its approval;
- (ii) The filling of vacancies on the Board of Directors or any committee;
- (iii) The amendment or repeal of these By-Laws or the adoption of new By-Laws; or
- (iv) The amendment or repeal of any resolution of the Board which by its terms is not so amendable or repealable.

(b) The Board of Directors may appoint Independent Members to serve as alternate members to any standing committee set forth in Section 1 (c) or any special committee formed pursuant to Section 2 of this Article. Alternate members so appointed by the Board of Directors shall serve as voting members of a committee where there is an absence or where otherwise necessary to satisfy the quorum requirements for the committee.

(c) Until changed by amendment of these By-Laws, the Corporation shall have the following Committees:

(i) **Executive Committee.** There shall be an Executive Committee, which shall consist of the Chairperson, Vice-Chairperson, Treasurer, Secretary, and one Director of as voted upon by a majority of the votes cast by the Directors of the Corporation. A majority of the voting members then serving on such committee shall constitute a quorum. The vote of a majority of the voting members serving on the Committee shall be required for any action of the Committee. The Chairperson shall preside over Executive Committee meetings, which shall be open to the public in accordance with the salient provisions of the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

(ii) **Loan Committee.** The members of the Loan Committee may include residents of Columbia County, with a preference being given to those individuals

possessing experience and expertise in business lending. The Loan Committee shall be comprised of at least five (5) Directors of the Corporation.

(a) The responsibilities of the Loan Committee shall be limited to reviewing applications to the Corporation for loans from the loan funds administered by the Corporation and issuing recommendations to the Board with regard to proposed action on such applications. The Board may from time to time modify the authority of the Loan Committee to approve or disapprove loans, including the amount thereof, by resolution duly adopted by the Board; provided, however that any such modification shall not be effective as to any loan approved or disapproved by the Loan Committee prior to the date of such Board action. A majority of the voting members then serving on such committee shall constitute a quorum. The vote of a majority of the voting members serving on the Committee shall be required for any action of the Committee. . The Committee's meetings shall be open to the public in accordance with the salient provisions of the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

(iii) **Audit and Finance Committee.** There shall be an Audit and Finance Committee consisting entirely of Independent members, who shall be elected by a majority of the votes cast by the Directors of the Corporation at the organizational meeting and at each annual meeting of the Board thereafter, and shall serve until the next annual meeting. To the extent practicable, members of the Audit and Finance Committee should be familiar with corporate financial and accounting practices. The Audit and Finance Committee shall recommend to the Board the hiring of a certified independent accounting firm in compliance with the Public Authorities Accountability Act ("PAAA") 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. The Audit and Finance Committee shall have the responsibility to review proposals for the issuance of debt by the Corporation and its subsidiaries, if any, and make recommendations. A majority of the voting members then serving on such committee shall constitute a quorum. The vote of a majority of the voting members serving on the Committee shall be required for any action of the Committee. The Committee's meetings shall be open to the public in accordance with the salient provisions of the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

(iv) **Governance and Nominating Committee.** There shall be Governance and Nominating Committee consisting entirely of Independent members. The Governance and Nominating Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Corporation's corporate governance principles, advise the Members and Directors on the skills and experience required of potential Directors, conduct potential Director searches nominate Director candidates, and nominate officers. A majority of the voting members then serving on such committee shall constitute a

quorum. The vote of a majority of the voting members serving on the Committee shall be required for any action of the Committee. The Committee's meetings shall be open to the public in accordance with the salient provisions of the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

(v) Workforce and Education Committee. There shall be a Workforce and Education Committee consisting entirely of Independent members. The Workforce and Education Committee will facilitate networking and collaboration among the County's educational, business and government institutions to stimulate purposeful alignment of educational offerings and business needs. A majority of the voting members then serving on such committee shall constitute a quorum. The vote of a majority of the voting members serving on the Committee shall be required for any action of the Committee. The Committee's meetings shall be open to the public in accordance with the salient provisions of the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

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SECTION 2. SPECIAL COMMITTEES

The Board of Directors, by resolution adopted by a majority of the entire Board of Directors, may create Special Committees, which shall have only the powers specifically delegated to them and shall in no case have powers which are not authorized for Standing Committees. The members of Special Committees shall be elected by the majority vote of the Board of Directors. A majority of the individuals then serving on the Committee shall constitute a quorum for the transaction of business or any specified item of business by the Committee. The vote of a majority of the individuals serving on the Committee shall be the act of the Committee.

SECTION 3. MEETINGS

Meetings of committees shall be held at such times and places as shall be fixed by the respective committee chairpersons, or by vote of a majority of all of the members of the committee. Written notice shall be mailed (via regular mail or electronic mail) or delivered to all members of the committee prior to each meeting. Written minutes of the proceedings shall be kept at all committee meetings and shall be submitted at the next meeting of the Board. The Chairperson of the Board of Directors of the Corporation, or their respective designees, may attend all committee meetings, but will not possess any voting rights unless otherwise granted by said committees.

ARTICLE V
CORPORATE OFFICERS

SECTION 1. PRESIDENT AND CHIEF EXECUTIVE OFFICER; OTHER OFFICERS

The Corporation shall have a President and Chief Executive Officer and other assistant officers as the Board of Directors may determine, all of whom shall serve at the pleasure of the Board of Directors. Such Officers shall receive such compensation as may be determined by the Board of Directors. The Board of Directors shall elect the President and Chief Executive Officer by resolution. The President and Chief Executive Officer shall report to the Chairperson and generally supervise all affairs of the Corporation including officers and employees. The President and Chief Executive Officer shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

SECTION 2. TERMS OF OFFICERS

The officers, ~~President and CEO~~ shall be elected by the Board of Directors at its annual meeting and shall serve at the pleasure of the Board.

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SECTION 3. ADDITIONAL OFFICERS

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

SECTION 4. REMOVAL OF OFFICERS

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

SECTION 5. VACANCIES

A vacancy in any office of the Corporation shall be filled by the majority vote of the entire Board of Directors.

ARTICLE VI

STAFF

SECTION 1. STAFF

The President and Chief Executive Officer of the Corporation may hire such other staff as approved by the Board of Directors through its annual budget approval. Such staff shall report to the Chief Executive Officer and shall have the titles, duties, responsibilities, compensation and benefits as authorized by the Board of Directors.

ARTICLE VII

CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

SECTION 1. EXECUTION OF CONTRACTS

The Board of Directors may on its own, except as these By-Laws otherwise provide, or may authorize the President and Chief Executive Officer the Chairperson, Vice-Chairperson, or any officer or officers, agent or agents, employee or employees, in the name of and on behalf of the Corporation, to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; but, unless so authorized by a written resolution of the Board of Directors, or expressly authorized by these By-Laws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniary in any amount for any purpose.

SECTION 2. CHECKS, DRAFTS, ETC

All checks, drafts and other orders for the payment or transfer of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation will be signed by those designated officers expressly authorized in a written resolution of the Board of Directors, to be reviewed on an annual basis.

SECTION 3. DEPOSITS

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

SECTION 4. INVESTMENTS

The Board of Directors may authorize the Corporation to contract with an investment advisor and custodian to manage its investments in accordance with an investment policy established by the Board.

ARTICLE VIII

LOAN PROCEDURE

SECTION 1. TYPES OF AVAILABLE FUNDS

Loans, grants and assistance offered by the Corporation may be of several types, depending upon their origin, the applicable statutes and regulations governing the administration of such funds or assistance, and whether they are made available for use on a regional basis (regional funds), such as funds designated for use in the entire Special Impact Area of the County of Columbia as defined by the Revolving Loan Fund Administration Plan or for use in a particular city, town, village or combination thereof (local funds).

SECTION 2. ADMINISTRATION OF FUNDS

Application for loans, grants and assistance, in whole or in part, from federal revolving loan funds shall be solicited, guided, approved or rejected, in strict accordance with applicable statutes and regulations governing the use of such funds, including, but not limited to:

- (a) Revolving Loan Fund Administration Plan submitted to and approved by the Economic Development Administration of the Federal Government;
- (b) Community Development Block Grant Act and Regulations; and
- (c) Small Business Investment Act and Section 502 or 7(a) Loan Program Regulations.
- (d) Approval or rejection of loans, grants and assistance shall in all cases be based on applicable standards of credit, need and eligibility.

SECTION 3. ADMINISTRATION OF OTHER FUNDS

Application for loans, grants and assistance from nonfederal revolving loan funds or other funding sources shall be made in the first instance to the Corporation, to a special committee of the Board established therefor pursuant to Article V, Section 6 of these Bylaws, or to the Loan Committee, if so designated by an appropriate resolution of the Board.

SECTION 4. FINAL DECISION

Upon approval by the Loan Committee or any other appropriate special committee of an application for a loan, grant or assistance for funds, the application shall be transmitted to the Board of Directors for final decision, unless the final decision is designated to the Loan Committee or an officer of the Corporation pursuant to an appropriate resolution of the Board.

SECTION 5. RESTRICTIONS ON USE OF FUNDS

No expenditure or use of funds shall be made except in strict compliance with all conditions imposed by contract under which the funds in question have been made available to the Corporation or imposed by all applicable Federal rules and regulations, as amended from time to time.

ARTICLE IX

ETHICAL STANDARDS

SECTION 1. CODE OF ETHICS – PROCEDURE

Except for any Prohibited Conflict as defined under State Law and as expressed within the Corporation's Code of Ethics, as amended from time to time, all members, directors, officers or employees of the Corporation shall adhere to the following procedures:

(a) All real and potential conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the real or potential conflict of interest. The written disclosure must:

- (i) identify the matter before the Corporation;
- (ii) identify the Standard of Conduct in question, and;

(iii) contain sufficient facts and circumstances in order to accurately convey the extent of the member's, director's, officer's or employee's interest in such matter. In addition, in the event a member or director of the Corporation has a conflict, he or she shall verbally disclose the conflict during a public session of a Corporation meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

(b) The member, director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the event a member of the Corporation has a conflict, he or she shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

(c) The member, director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

SECTION 2. CODE OF ETHICS – STANDARDS

In all other respects, the members, directors, officers and employees of the Corporation shall operate in accordance with ethical standards as enumerated in the Not-for-Profit Corporation Law of the State of New York, as the same may be amended from time to time, and any ethics or conflicts of interest policy statement approved by the Board, and any ethical standards imposed under all applicable State and Federal laws, as the same may be amended from time to time.

SECTION 3. INDEPENDENT MEMBERS

In addition to any other ethical standards applicable to any member or director of the Corporation pursuant to these By-Laws or other applicable law, a majority of the members and directors of the Corporation, other than those who serve by virtue of holding a civil office of the State of New York, shall, to the extent required by law, be “independent members,” as defined in Section 2825 of the New York Public Authorities Law, as amended from time to time.

ARTICLE X

GENERAL

SECTION 1. SEAL

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

SECTION 2. BOOKS AND RECORDS

There shall be kept by the Corporation (1) correct and complete books and records of account, (2) minutes and statements of written action by the Members, (3) minutes of the proceedings of the Board of Directors and its committees, (4) a current list of the Members, Directors and officers of the Corporation and their residence addresses, (5) a copy of the Certificate of Incorporation, and (6) a copy of these By-Laws. The foregoing items shall be subject to inspection and/or audit at any time by or at the direction of the Board of Directors.

SECTION 3. INDEMNIFICATION

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

SECTION 4. INTERESTED DIRECTORS, OFFICERS AND EMPLOYEES

The Board of Directors shall adopt a policy regarding conflicts of interest which shall apply to all directors, officers, and employees. The Board of Directors shall establish and adopt those other policies and procedures as may be required to comply with any governing statutes or regulations deemed applicable to the corporation.

SECTION 5. LOANS TO DIRECTORS, OFFICERS AND EMPLOYEES

The Corporation, either directly or indirectly, including through any subsidiary, is prohibited from extending or maintaining credit, arranging for the extension of credit or renewing any extension of credit, in the form of a personal loan to or for any Director, Officer, or Employee, or to any other company, corporation, firm, association or other entity in which one or more of the Directors, Officers or Employees of the Corporation is also a director, officer or employee or otherwise holds a substantial financial interest.

ARTICLE XI

FISCAL YEAR

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

ARTICLE XII

RULES OF ORDER AND BY-LAW CHANGES

SECTION 1. RULES OF ORDER

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

SECTION 2. BY-LAW CHANGES

These By-Laws may be amended, repealed or adopted only by a 2/3 majority of the Directors of the Corporation, or a majority of the Members, whose actions at all times shall supersede actions by the Directors. Any amendments approved by the Directors shall be ratified by the membership at its next meeting.