

BY-LAWS

of the

TOWN OF PLATTSBURGH

LOCAL DEVELOPMENT CORPORATION, INC

[Amended 10-19-11]

ARTICLE I – INCORPORATION

This corporation was incorporated under Section 402 of the Not-for-Profit Corporation Law of the State of New York by the filing of a Certificate of Incorporation in the Office of the New York State Department of State on March 1, 2005.

ARTICLE II – PURPOSES

As stated in the Certificate of Incorporation, the purposes for which this corporation was formed are:

- to promote and to provide for additional and maximum employment;
- to relieve and to reduce unemployment;
- to add and to maintain job opportunities more effectively;
- to instruct or to train individuals to improve or to develop their capabilities for such jobs, for the purpose of aiding the community or geographical area within the Town of Plattsburgh;
- to attract new industry to the Town of Plattsburgh;
- to encourage the development or retention of an industry in the community;
- to further the public objectives of this corporation by aiding the Town of Plattsburgh by attracting industry to the area, and by encouraging the development and the retention of an industry in the area and;

To carry out these purposes, the Corporation serves as a professional association of both public sector and private, not-for-profit economic development organizations operating in its territory.

The territory in which the operations of this Corporation are to be conducted is the Town of Plattsburgh located in Clinton County in which the use of the Corporation's funds will have a substantial positive impact on the economic welfare and prosperity of the aforementioned geographic area and their inhabitants.

ARTICLE III – MEMBERSHIP

Section 1 – Qualifications. Requirements for membership. Membership in the Corporation shall be limited to individuals living within the Town of Plattsburgh. Employees and volunteers may live outside the Town of Plattsburgh.

Section 2 – Election of Board Members. An individual may be elected a board member upon invitation by the Board of Directors of the Town of Plattsburgh Local Development Corporation, Inc.

Section 3 – New Member Approval. Any new member must be approved by a majority vote of the Board of Directors of the Town of Plattsburgh Local Development Corporation, Inc.

Section 4 – Resignation. Any member may withdraw from the Corporation after fulfilling all obligations to it by giving written notice of such intention to the secretary, which notice shall be presented to the Board of Directors by the Secretary at the first meeting subsequent to its receipt.

Section 5 – Suspension. A member may be suspended for a period or expelled for cause, such as violation of any of the By-Laws or Rules of the Corporation (subject to the amplification described in the next paragraph of this section), or for conduct prejudicial to the best interests of the Corporation. Suspension or expulsion shall be by a three-fourths vote of the membership of the Board of Directors, provided that a statement of the charges shall have been mailed by registered mail to the member or associate member under charges at his/her last recorded address at least 15 days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place where the Board of Directors is to take action and the member shall be provided an opportunity to present a defense at the time and place mentioned in said notice.

A member may be expelled for failing to attend three consecutive Board of Directors' meetings and/or for failing to attend at least fifty percent of the Board of Directors' meetings in a calendar year. Either such failure shall require the President to schedule consideration of expulsion for such attendance failure as an agenda item at the next regularly scheduled Board of Directors meeting. In the event a vote is taken to expel a member for such attendance failure, the vote for expulsion must be approved by a majority vote of the Board of Directors.

Section 6 – Membership Role. The Board is responsible for managing the business affairs, property and policies of the Corporation. The Board shall have no fewer than three or more than six members. The Board receives no compensation other than reasonable and pre-approved expenses. The Board shall be comprised of members from the Town of Plattsburgh with diverse interests and areas of expertise to strengthen the knowledge base of the Corporation.

Section 7 – Rights of Members/Property Rights. No member of the Corporation shall have any right or interest in or to the property or assets of the Corporation. All property and assets of the Corporation shall be solely subject to the direction, control of and expenditure by the Board of Directors. Should the Corporation be liquidated or dissolved or otherwise cease business, the property and asserts of the Corporation shall be distributed for the Corporate purposes as provided in the Certificate of Incorporation in accordance with the direction of a majority of the then qualified and acting directors

present at any meeting duly called of such purpose, and without other affirmative action by the members.

ARTICLE IV – DIRECTORS

Section 1 – Board of Directors. The Board of Directors shall consist of the Directors appointed by the Local Development Corporation Board. All power and authority of the Corporation shall be vested in the Board of Directors.

Section 2 – Meetings. The annual meeting of the Board of Directors shall be held in January of each year. At the call of the President, meetings may be held at any time or place within the service area, or in the alternative, at the call of two Directors.

Section 3 – Notice of Meetings. Notice of the annual or special meetings shall be deemed sufficient if deposited in the mail not fewer than ten days before the meeting.

Section 4 – Waiver. Notice of meeting may be waived by a member, in writing, orally, or by attendance at the meeting.

Section 5 – Quorum. A majority of the Board of Directors shall constitute a quorum at any meeting of such members and be capable of transacting any business thereof. An individual may vote multiple proxies.

Section 6 – Proxies. Every member of the Corporation entitled to vote at that meeting thereof may vote by proxy. A proxy shall be in writing and revocable at the pleasure of the member executing it. Unless the duration of the proxy is specified, it shall be invalid after one (1) month from the date of its execution. Proxies may be voted by their respective holders only on resolutions included in the meeting's advance agenda. Except as otherwise provided in these by-laws, a majority of those present and voting (including proxies) shall be sufficient to carry any resolution.

Section 7 – Order of Business. The order of business shall be as follows at all the meetings of the Corporation and Board of Directors.

- A. Calling of the roll.
- B. Proof of notice of meeting or waiver of notice
- C. Reading of the minutes.
- D. Receiving communications.
- E. Election of new members.
- F. Reports of officers.
- G. Reports of committees.
- H. Unfinished business.
- I. New business.

Any question as to priority of business shall be decided by the chair.

This order of business may be altered or suspended at any meeting by a majority vote of members of the Board present. *Roberts' Rules of Order* are the parliamentary procedures to be used to conduct meetings of the Board of Directors.

ARTICLE V – OFFICERS

Section 1 – Officer Designated. The officers of the corporation shall be appointed by the Board of Directors at their annual meeting to serve until the following year's annual meeting. One person may hold more than one office, except that one person may not at the same time be President, and Secretary. The officers shall be a President, Vice-President, Treasurer, Secretary, together with such other officers as may, from time to time, be created by the Board.

Section 2 – Duties of the President. The President shall preside at all meetings of the members and the Board of Directors; shall call regular and special meetings of the members and directors in accordance with these By-laws; shall appoint and remove, employ and discharge, and fix the compensation of all servants, agents, employees and clerks of the Corporation, and see that they are properly carried out; shall see that all books, reports, statements and certificates required by statute are properly kept, made and filed according to law; may sign, make and endorse in the name of the Corporation, and in accordance with resolutions of the board of Directors, all checks, drafts, warrants and orders for the payment of money, and pay out and dispose of the same and receipt therefore; and shall enforce these By-laws and perform all other duties incident to the office of President.

Section 3 – Duties of Vice President. The Vice President shall, during the absence or disability of the President, perform his/her duties or exercise his/her powers, as set forth in these By-laws or in the law under which this Corporation is organized, and when so acting, the Vice President shall have all powers and be subject to all the responsibilities hereby given to or imposed upon the President.

Section 4 – Duties of Treasurer. The Treasurer shall have the care and custody of and be responsible for all funds and securities of the Corporation and shall deposit the same in the name of the Corporation, in such banks, trust companies or safe deposit vaults as the Board of Directors may designate; may sign, make and endorse in the name of the Corporation, and in accordance with resolutions of the board of Directors, all checks, drafts, warrants and orders for payment of money and pay out and dispose of the same, and receipt therefore; shall exhibit at all reasonable times his/her books and accounts to any Director upon application at the office of the Corporation during business hours; shall present a report of the financial condition and receipts and disbursements for the preceding period at each regular meeting of the board of Directors, and at such other meetings as shall be required of him/her; shall keep at the office of the Corporation correct books of account of all its business and transactions and such other books of account as the board of Directors may direct; and shall do and perform all other duties incident to the office of Treasurer.

Section 5 – Duties of Secretary and Assistant Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors in appropriate books; shall give and serve all notices required by law or by these By-laws; shall be custodian of the records and seal of the Corporation and shall affix the latter when required by the Board of Directors; shall lay before the members and the Board of Directors at the meetings all communications addressed to him/her

officially by the President or any officer or member of the Corporation; may sign, make and endorse in the name of the corporation, and in accordance with resolutions of the Board of Directors, all checks, draft, warrants and orders for the payment of money, and pay out and dispose of the same and receipt therefor; and shall attend to all correspondence and perform all other duties incident to the office of Secretary.

Section 6 – Duties of the Closing Agent. The Closing Agent, in accordance with resolutions of the Board of Directors and at the direction of the President, shall serve as a substitute for the President in managing the Corporation's official business related to making and servicing loans from the corporation's revolving loan funds(s) (if any). In particular, he/she shall be responsible for managing loan fund closings and he/she shall have the power to execute loan documents on behalf of the President and the Corporation. The corporation may designate an individual who is not a member of the Board of Directors of the corporation to serve as Closing Agent.

Section 7 – Surety Bond. Any officer or employee shall, if required by the Board of Directors, give to the corporation such security for the faithful discharge of his/her duties, as the Board may require.

Section 8 – Designation of Signatories. At the initial business meeting each January the Board will designate the official signatories and depositories for the Corporation's account(s).

ARTICLE VI – COMMITTEES

Section 1 – Governance Committee. The Board of Directors will appoint a Governance Committee to oversee the operations of the LDC. 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 the Town of Plattsburgh LDC;
- Updating the Town of Plattsburgh LDC's corporate governance principles and governance practices; and
- Advising those responsible for appointing directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members.

The detailed responsibilities, powers, and functions of the Governance Committee are set forth in the Governance Committee Charter adopted on January 25, 2010 by the LDC Board.

Section 2 – Audit Committee Charter. The Board of Directors will appoint an Audit Committee to oversee and review the financial operations of the LDC. The purpose of the audit committee shall be to (1) assure that the authority'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.

The detailed responsibilities, powers and functions of the committee are set forth in Audit

Committee Charter adopted by the Board of the LDC on January 25th, 2010.

Section 3 -- Loan Review Committee Loan Review Committee. The Board of Directors may elect a Loan Review Committee, to serve at the pleasure of the Board. The Loan Review Committee will have the responsibility for reviewing and recommending action on applications to the Town of Plattsburgh Local Development Corporation's *Revolving Loan Fund* to the Board of Directors. When appropriate the Loan Review Committee should solicit membership and/or the advice of regional bank officers, representatives of the business community, and New York State Department of Economic Development Regional Officials. Unless the Board of Directors determines otherwise, members of the Loan Review Committee will serve three year terms, or until their successors have been appointed. The Board of Directors may vary the terms of the Loan Review Committee's members in order to stagger the members' terms to ensure continuity. The Committee shall elect its own Chair and set its own procedures. The Committee shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner. The Committee is charged with receiving and reviewing all applications for loans and loan modifications from the Corporation's loan fund(s) (if any) and with forwarding timely recommendations to the Board of Directors on whether to make or reject loans or loan modifications from the fund(s). In addition, the Board of Directors may authorize the Committee to negotiate conditions attached to loans and loan modifications and to determine whether such conditions have been met prior to advising the President or Closing Agent to execute legal documents related to such loans or loan modifications.

ARTICLE VII – MEETING BY COMMUNICATION EQUIPMENT

Pursuant to Section 708(c) Not-For-Profit Corporation Law as amended, any one or more members of the Board of Directors or any of its committees may participate in a meeting by means of a conference telephone or similar communications equipment allowing all participants to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

ARTICLE VIII – INDEMNIFICATION

To the fullest extent now or hereafter provided for or permitted by law, the directors and/or officers of the Corporation shall not be liable to the Corporation or third parties for damages for any breach of their duties as directors and/or officers and the Corporation shall indemnify such directors and/or officers against all reasonable expenses, including but not limited to attorney's fees, which are incurred by such director or officer, actually and necessarily in connection with the defense of any claim against such director or officer which shall arise as a result of that person's actions in the capacity of a director or officer of the Corporation.

ARTICLE IX – AMENDMENTS

These By-laws may be amended, repealed, superseded or altered in whole or in part by a majority vote at any duly organized meeting of the Corporation. The proposed change shall be sent to each member of the Board at least ten (10) days before the time of the meeting which is to consider the change.

[10.19.11]