

BY-LAWS
OF
THE TOWN OF HUNTINGTON
LOCAL DEVELOPMENT CORPORATION

(As amended by the TOH LDC on March 12, 2012 and on October 15, 2013)

ARTICLE I - THE CORPORATION

Section 1. Name. The name of the Corporation shall be as provided in its Certificate of Incorporation and is currently The Town of Huntington Local Development Corporation (hereinafter, the “Corporation”).

Section 2. Seal. The Corporation’s seal shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization

Section 3. Office. The office of the Corporation shall be located at 100 Main Street, Huntington, New York or such other Town facility as the Corporation may designate, from time to time, by resolution.

Section 4. The territory in which the Corporation’s activities are principally to be conducted is the Town and its surrounding communities.

ARTICLE II - MEMBER

The Town of Huntington (the “Town”), acting through its Town Board, shall be the sole Member of the Corporation (“Member”).

ARTICLE III - BOARD

Section 1. Power of the Board and Qualification of Directors. The Corporation shall be overseen and governed by its board of directors (hereinafter, the “Board” and the “Directors”), who shall exercise oversight and control over the officers and staff of the Corporation. Each Director shall be at least twenty-one (21) years of age. The Board shall have all powers conferred on boards of public benefit corporations and local public authorities pursuant to New York State law, including, without limitation, the Public Authorities Accountability Act of 2005, as amended from time-to-time (the “PAAA”), and any other New York State Law that is applicable to the Corporation.

Section 2. Number of Directors and Term of Office.

(a) The Board shall consist of at least five (5) Directors. Each Director shall serve for a term determined by the Member upon the appointment of that Director, or, if the appointment of a Director shall not set forth a term, then at the pleasure of the Member. Each Director shall continue to hold office until such Director's successor is appointed and has qualified. Directors shall serve without compensation. Directors shall be elected by the Member. As used in this Article, "entire Board" means the total number of Directors entitled to vote which the Corporation would have if there were no vacancies. Notwithstanding the foregoing, all persons serving on the Town Board of the Town, either as the Town Supervisor or a Town Councilperson, shall serve as an ex officio director of the Corporation.

(b) No Director, including the Chair, shall serve as the Corporation's Executive Director/Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Comptroller, or hold any other equivalent executive position or office while also serving as a Director.

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

(d) Independence. For the purposes of these By-laws, an "Independent Director" is a Director who:

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

(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 who 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) Each Director shall have one vote.

Section 3. Organization. At each meeting of the Board, the Chair, or, in the absence of the Chair, a Vice Chair shall preside, or in the absence of either of such officers, a chair chosen by a majority of the Directors present shall preside. The Secretary shall act as secretary of

the Board. In the event the Secretary shall be absent from any meeting of the Board, an Assistant Secretary shall act as the secretary for such meeting.

Section 4. Resignations and Removal of Directors.

(a) Any Director of the Corporation may resign at any time by giving written notice to the Chair or to the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery.

(b) Any or all of the Directors may be removed for cause by vote of the Member, or by vote of the Directors provided there is a quorum of not less than a majority of the entire Board of Directors present at the meeting of Directors at which such action is taken. Any or all of the Directors may be removed without cause by vote of the Member.

Section 5. Newly Created Directorships and Vacancies. Newly created Directorships resulting from an increase in the number of Directors and vacancies occurring in the Board of Directors for any reason shall be filled by vote of the Member. Directors elected to fill newly created Directorships shall hold office until their successors have been elected or appointed and qualified. Directors elected to fill vacancies shall serve for the remaining term of the Director for whom they are replacing, and until their successors are elected and have qualified.

Section 6. Action by the Board. Except as otherwise provided by law or in these By-laws, the act of the Board means action taken at a meeting of the Board by vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time.

Section 7. Place of Meeting. The Board may hold its meetings at 100 Main Street, Huntington, New York, or at such place or places within the State of New York as the Board may from time to time by resolution determine.

Section 8. Annual Meetings. The annual meeting of the Corporation shall be held in June in each calendar year, at the regular meeting place of the Corporation as described in Section 7 of this Article at such hour and on such day as the Board shall determine.

Section 9. Regular Meetings. Regular meetings of the Board may be held without notice at such times as may be fixed from time to time by resolution of the Board.

Section 10. Special Meeting. Special meetings of the Board shall be held whenever called by the Chair or in the absence of the Chair by a Vice Chair, or by any two (2) of the Directors. Notice shall be given orally, by telefax, by e-mail, or by mail and shall state the purposes, time and place of the meeting. If notice is given orally, in person or by telephone, it shall be given not less than two (2) days before the meeting; if it is given by telefax, by e-mail or by mail, it shall be given not less than three (3) days before the meeting. At such special meeting, no business shall be considered other than that designated in the notice.

Section 11. 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 12. Quorum.

(a) A majority of the entire Board of Directors shall constitute a quorum for the transaction of business.

(b) A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place without notice to any Director.

Section 13. Compensation. Directors shall receive no compensation for their services, but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

Section 14. Annual Independent Audit. The Board of Directors shall present to the Member the annual independent audit report performed in accordance with the requirements of the PAAA and generally accepted government auditing standards, certified by a firm of independent public accountants selected by the Board. The certified independent public accounting firm that performs the annual independent audit shall report 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 refinancings, calls, refundings, defeasements, and interest rate exchange or other such agreements, and for any debt issued during the fiscal period, together with a statement of the amounts redeemed and incurred during such fiscal period as a part of a schedule of debt issuance that include the date of issuance, term, amount, interest rate, means of repayment and cost of issuance.

Furthermore, the certified independent public accounting firm that performs the annual independent audit shall report to the Board or designated Board committee the following:

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

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

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

ARTICLE IV - COMMITTEES

Section 1. Section 1. Audit Committee. There shall be an Audit Committee consisting entirely of not less than three (3) Independent Directors, who shall be elected by the Directors at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Audit Committee, and who shall possess the necessary skills to understand the duties and functions of the Audit Committee; provided, however, that in the event that there are less than three (3) independent members, the Board may appoint non-independent members to the Audit Committee, provided that the independent members must constitute a majority of the members of the Audit Committee. The Audit Committee shall recommend to the Board the hiring of a certified independent accounting firm in compliance with the Public Authorities Law of New York State to conduct the annual independent audit, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the annual independent audit

Section 2. Governance Committee. There shall be a Governance Committee consisting entirely of not less than three (3) Independent Directors, who shall be elected by the Directors at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Governance Committee, and who shall possess the necessary skills to understand the duties and functions of the Governance Committee; provided, however, that in the event that there are less than three (3) independent members, the Board may appoint non-independent members to the Governance Committee, provided that the independent member must constitute a majority of the members of the Governance Committee. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Corporation's governance principles, and advise the Board on the skills and experience required of potential Directors.

Section 3. Finance Committee. There shall be a Finance Committee consisting entirely of not less than three (3) Independent Directors, who shall be elected by the Directors at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Finance Committee, and who shall possess the necessary skills to understand the duties and functions of the committee; provided, however, that in the event that there are less than three (3) independent members, the Board may appoint non-independent members to the Finance Committee, provided that the independent member must constitute a majority of the members of the Finance Committee. It shall be the responsibility of the members of the Finance Committee to review proposals for the issuance of debt by the authority and its subsidiaries, and to make recommendations.

Section 4. Other Standing Committees. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members other standing committees consisting of three (3) or more Directors. The standing committees shall have such authority as the Board shall by resolution provide, except that no such committee shall have authority as to the following matters:

- (a) the submission to the committee of any action requiring Member approval under the law;

- (b) the filling of vacancies in the Board or in any committee;
- (c) the fixing of compensation of the Directors for serving on the Board or on any committee;
- (d) the amendment or repeal of the By laws, or the adoption of new By-laws; or
- (e) the amendment or repeal of any resolution of the Board which, by its terms, shall not be so amendable or repealable.

Section 5. Special Committees. The Board of Directors may designate special committees, each of which shall consist of such persons and shall have such authority as is provided in the resolution designating the committee.

Section 6. Meetings. Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chair of the Board or the chair of such committee or by vote of a majority of all the members of the committee.

Section 7. Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board, a majority of all of the members of a committee shall constitute a quorum for the transaction of business, and the vote of a majority of all of the members of the committee shall be the act of the committee.

The procedures and manner of acting of the committees of the Board shall be subject at all times to the direction of the Board.

Section 8. Tenure of Members of Committees of the Board. Each committee of the Board and every member thereof shall serve at the pleasure of the Board.

Section 9. Alternate Members. The Board may designate one (1) or more members as alternate members of any standing committee of the Board, who may replace any absent member or members at any meeting of such committee.

ARTICLE V - BOARD OFFICERS

Section 1. Officers. The officers of the Corporation's Board shall be a Chair, one (1) or more Vice Chair(s), a Treasurer, a Secretary and/or such other officers as the Board may in its discretion determine. Any two (2) or more offices may be held by the same person, except the offices of Chair and Secretary.

Section 2. Term of Office and Qualifications. Those officers whose titles are specifically mentioned in Section 1 of this Article shall be elected by the Board at its Annual Meeting. Unless a shorter term is provided in the resolution of the Board electing such officer, the term of office of each officer shall extend to the next Annual Meeting and until the officer's successor is elected and qualified.

Section 3. Additional Officers. Additional officers may be elected for such period, have such authority and perform such duties, either in an administrative or subordinate capacity, as the Board may from time to time determine.

Section 4. Removal of Officers. Any officer may be removed by the Board with or without cause at any time.

Section 5. Resignation Any officer may resign his or her position as an officer at any time by giving written notice to the Board, to the Chair or to the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time be specified, then upon delivery.

Section 6. Vacancies. A vacancy in any office shall be filled by the Board.

Section 7. Chair. The Chair shall preside at all meetings of the Board at which the Chair is present. In the absence or incapacity of the Executive Director/Chief Executive Officer of the Corporation or the Deputy Executive Director/Chief Financial Officer, and except as otherwise authorized by resolution of the Board, the Chair shall execute all agreements, contracts, deeds, and any other instruments of the Corporation. At each meeting, the Chair shall submit recommendations and information as he or she may consider proper concerning the business, affairs, the bonds, the notes, the loans, the projects and facilities of the Corporation, the economic benefits to be conferred on project applicants and occupants, and the policies of the Corporation. Nothing in the provision shall be construed as granting the Chair the exclusive right to bring matters before the Corporation for consideration.

Section 8. Vice Chairs. In the absence or incapacity to act of the Chair, or if the office of Chair be vacant, the Vice Chair or, if there be more than one Vice Chair, the Vice Chairs in order of seniority as determined by the Board, shall preside at all meetings of the Board, and shall perform the duties and exercise the powers of the Chair, subject to the right of the Board from time to time to extend or confine such powers and duties or to assign them to others. Each Vice Chair shall have such powers and shall perform such other duties as may be assigned by the Board or the Chair.

Section 9. Treasurer. The Treasurer shall, if required by the Board, obtain a bond for the faithful discharge of his or her duties, in such sum and with such sureties as the Board shall require. The Treasurer shall oversee the Deputy Executive Director/Chief Financial Officer of the Corporation and shall review all the books and accounts of the Corporation and shall advise the Deputy Executive Director/Chief Financial Officer of the Corporation with respect to the charge, custody and investment of all funds and securities of the Corporation, and the Treasurer shall ensure the proper deposit by the Deputy Executive Director/Chief Financial Officer of the Corporation all such funds in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board. The Treasurer shall also perform all other duties customarily incident to the office of Treasurer, and such other duties as from time to time may be assigned by the Board.

Section 10. Assistant Treasurer. The Assistant Treasurer shall carry out the duties of the Treasurer in the absence of the Treasurer.

Section 11. Secretary. It shall be the duty of the Secretary to act as secretary of all meetings of the Board, and to keep the minutes of all such meetings in a proper book or books to be provided for that purpose; the Secretary shall see that all notices required to be given by the Corporation are duly given and served; the Secretary shall keep a current list of the Directors and officers of the Corporation's Board and their residence addresses; the Secretary shall be custodian of the seal of the Corporation and shall affix the seal, or cause it to be affixed, to all agreements, documents and other papers requiring the same. The Secretary shall have custody of the minute book containing the minutes of all meetings of Directors and any committees which may keep minutes, and of all other contracts and documents which are not in the custody of the Treasurer of the Corporation, or in the custody of some other person authorized by the Board to have such custody.

Section 12. Assistant Secretary. The Assistant Secretary shall carry out the duties of the Secretary in the absence of the Secretary.

Section 13. Appointed Officers. The Board may delegate to any officer or committee the power to appoint and to remove any subordinate officer, agent or employee.

ARTICLE VI - EXECUTIVE OFFICERS AND OTHER PERSONNEL

Section 1. Executive Director/Chief Executive Officer. The Corporation shall appoint an Executive Director/Chief Executive Officer by resolution, which resolution shall set the Executive Director's/Chief Executive Officer's annual compensation.

Section 2. Duties and Responsibilities of Executive Director/Chief Executive Officer. The Executive Director/Chief Executive Officer shall report to the Chair of the Board of the Corporation. He or she shall have general supervision and management of the Corporation, and all Corporation staff and employees shall report directly to the Executive Director/Chief Executive Officer.

Except as may otherwise be authorized by a resolution adopted by the Board, the Executive Director/Chief Executive Officer shall:

- (a) execute all agreements, bonds, notes, contracts, agreements, deeds, leases and any other instruments of the Corporation;
- (b) sign all financial instruments and checks;
- (c) cosign all purchase orders and instruments and checks over certain dollar thresholds as may be established from time to time by the Board (said instruments may be countersigned by the Deputy Executive Director/Chief Financial Officer, or other officer or Director as shall be designated by the Board);
- (d) prepare the annual budget of the Corporation with the consultation and cooperation of the Audit Committee, the Deputy Executive Director/Chief Financial Officer and the Deputy Financial Officer, for submission to the Board for approval; and

(e) sign all purchase orders, under the direction of the Board by resolution and the Corporation's chief purchasing officer.

Furthermore, the Executive Director/Chief Executive Officer shall assist the Chair with such matters as the Chair or the Board may request in furtherance of the Corporation's public purposes. The Executive Director/Chief Executive Officer shall be charged with leading the Corporation in carrying out its Mission Statement and fulfilling its public purposes. The Executive Director/Chief Executive Officer shall also perform all other duties customarily incident to the office of a chief executive officer of a local development corporation and a local public authority of the State of New York and such other duties as from time to time may be assigned by the Board.

Section 3. Chief Financial Officer. The Corporation shall appoint a Chief Financial Officer by resolution, which resolution shall set the Chief Financial Officer's annual compensation. The Chief Financial Officer shall also serve as the Deputy Executive Director

Section 4. Duties and Responsibilities of Deputy Executive Director/Chief Financial Officer. In the absence or incapacity of the Executive Director/Chief Executive Officer, the Deputy Executive Director/Chief Financial Officer shall exercise the duties and responsibilities of the Executive Director/Chief Executive Officer. Except as may otherwise be authorized by a resolution of the Board, if the office of the Executive Director/Chief Executive Officer shall be vacant the Deputy Executive Director/Chief Financial Officer of the Corporation shall be the Acting Executive Director/Chief Executive Officer of the Corporation until such time as the Board has appointed a replacement Executive Director/Chief Executive Officer. The Deputy Executive Director/Chief Financial Officer of the Corporation shall assist the Executive Director/Chief Executive Officer in the carrying out of the Corporation's purposes and in fulfillment of the Corporation's public purposes. The Deputy Executive Director/Chief Financial Officer shall oversee the maintenance of the books and accounts of the Corporation. The Deputy Executive Director/Chief Financial Officer shall also perform all other duties customarily incident to the office of a chief financial officer of a public benefit corporation and public authority of the State of New York and such other duties as from time to time may be assigned by the Board. The Deputy Executive Director/Chief Financial Officer shall be the Chief Compliance Officer of the Corporation for purposes of ensuring that the Corporation is in full compliance with all provisions of the PAAA applicable to the Corporation. The Deputy Executive Director/Chief Financial Officer shall prepare and distribute all annual reports required by the PAAA and as may otherwise be required by the Office of the Comptroller of the State of New York. The Deputy Executive Director/Chief Financial Officer of the Corporation shall assist the Executive Director/Chief Executive Officer and Chair in preparing the annual budget of the Corporation for submission to the Board for approval, and he or she shall distribute all copies of the annual budget of the Corporation to all persons required by the PAAA. The Deputy Executive Director/Chief Financial Officer shall assist the Audit Committee of the Board in carrying out its functions. The Deputy Executive Director/Chief Financial Officer of the Corporation shall be the contracting officer of the Corporation for the disposition of real and personal property in accordance with the provisions of the PAAA. The Deputy Executive Director/Chief Financial Officer shall be the Freedom of Information Officer of the Corporation in accordance with the provisions of the New York State Freedom of Information Law, Article 6 of the New York Public Officers Law.

Section 5. **Deputy Financial Officer.** The Corporation may appoint a Deputy Financial Officer by Resolution, which resolution shall set the Deputy Executive's Annual compensation.

Section 6. **Duties and Responsibilities of Deputy Financial Officer.** The Deputy Financial Officer shall be the assistant to the Chief Financial Officer of the Corporation. The Deputy Financial Officer of the Corporation shall assist the Executive Director/Chief Executive Officer and Deputy Executive Director/Chief Financial Officer in carrying out the Corporation's purposes to fulfill the Corporation's public purposes under the PAAA. The Deputy Financial Officer shall keep and maintain the books and accounts of the Corporation and shall have charge and custody of, and be responsible for, all funds and securities of the Corporation, and shall deposit all such funds in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board. The Deputy Financial Officer shall pay out and disburse such moneys under the direction of the Executive Director/Chief Executive Officer and the Deputy Executive Director/Chief Financial Officer. All such purchase orders and instruments and checks over certain dollar threshold as may be established from time to time by the Board shall be signed by the Executive Director/Chief Executive Officer or the Deputy Executive Director/Chief Financial Officer of the Board, or other officer or Director as shall be designated by the Board. The Deputy Financial Officer of the Corporation shall assist the Executive Director/Chief Executive Officer and Deputy Executive Director/Chief Financial Officer of the Corporation in the preparation of the annual budget of the Corporation for submission to the Board for approval.

Section 7. **Compliance Officer.** The Corporation shall appoint a Compliance Officer by resolution, who may be the Deputy Executive Director/Chief Financial Officer, or any other employee of the Corporation. The Compliance Officer shall be responsible for insuring that the Corporation complies with all financial and other reporting requirements imposed by statute, including those requirements in the General Municipal Law and the Public Authorities Law of New York State. The Compliance Officer shall be the "Contracting Officer" (as such term is defined in Section 2895 of New York's Public Authorities Law).

Section 8. **Additional Personnel.** The Corporation may from time to time employ such personnel as the Corporation, upon the recommendation of the Executive Director/Chief Executive Officer, deems necessary to exercise the Corporation's powers, duties and functions as prescribed by the PAAA and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Corporation subject to the laws of the State of New York.

Section 9. **Municipal Personnel.** The Corporation may, with the consent of the Town, use the agents, employees and facilities of the Town. In such event, the Corporation will, by resolution, enter into a contract with the Town providing the terms upon which the Town will provide the use of its agents, employees and facilities to the Corporation and the compensation, if any, that the Corporation shall pay to the Town for the use by the Corporation of the Town's agents, employees and facilities.

ARTICLE VII - CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

Section 1. Execution of Contracts. The Board, except as in these By-laws otherwise provided, may authorize any officer or officers, agent or agents, in the name of and on behalf of the 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, or expressly authorized by these By-laws, no officers, 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 pecuniarily 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.

Section 3. Checks, Drafts, etc. All checks, drafts and other orders for the payment of money 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 these By-laws or by resolution of the Board.

Section 4. 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 may select or in the absence of such selection by the Board, as the Executive Director/Chief Executive Officer in consultation with the Deputy Executive Director/Chief Financial Officer and Deputy Financial Officer may select.

ARTICLE VIII - INDEMNIFICATION AND INSURANCE

Section 1. Authorized Indemnification. Unless clearly prohibited by law or Section 2 of this Article, the Corporation shall indemnify any person ("Indemnified Person") made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Corporation, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a Director or officer of the Corporation, or (b) in addition is serving or has 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, and any appeal thereof.

Section 2. Prohibited Indemnification. The Corporation shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board in good faith determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or

she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

Section 3. Advancement of Expenses. The Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or promptly reimburse the Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article. The 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 Section 2 of this Article, the Board may approve the Corporation's indemnification of a person 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 the testator or intestate of a person) 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 or 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 shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-laws. Before indemnification can occur, the Board must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article. 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 shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these By-laws.

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

Section 7. Insurance. The Corporation is not required to purchase Directors' and officers' liability insurance, but the Corporation may purchase such insurance if authorized and approved by the Board. To the extent permitted by law, such insurance may 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 is authorized to enter into agreements on behalf of the Corporation with any Director, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 2 of this Article.

ARTICLE IX - CONFLICTS OF INTEREST

Section 1. Definition of Conflicts of Interest. A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Corporation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any family member (spouse, domestic partner, grandparents, parents, children, grandchildren, great grandchildren, brothers or sisters (whether whole or half blood), and spouses of these individuals); or (c) any organization in which he or a family member is a director, trustee, officer, member, partner or has more than 10% of the total (combined) voting power. Service on the board of another not-for-profit corporation does not constitute a conflict of interest.

Section 2. Disclosure of Conflicts of Interest. A Director or officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his duties with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the Director or officer learns of the conflict; and (d) on the annual conflict of interest disclosure form.

The Secretary of the Corporation shall distribute annually to all Directors, officers and key employees (as identified by the Corporation) a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the Corporation and whether the process for approval set forth in this policy was used. Such disclosure form may require disclosure of other relationships that may not constitute an actual conflict of interest, but which are required to be disclosed in order for the Corporation to comply with its annual reporting requirements.

Section 3. Approval of Contracts and Transactions Involving Potential Conflicts of Interest. A Director or officer who has or learns about a potential conflict of interest should disclose promptly to the Secretary of the Corporation the material facts surrounding any potential conflict of interest, including specific information concerning the terms of any contract or transaction with the Corporation. All effort should be made to disclose any such contract or transaction and have it approved by the Board before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board shall consider the material facts concerning the proposed

contract or transaction, including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Corporation and the arrangements are consistent with the best interests of the Corporation. Fairness includes, but is not limited to, the concepts that the Corporation should pay no more than fair market value for any goods or services which the Corporation receives and that the Corporation should receive fair market value consideration for any goods or services that it furnishes others. The Board shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Corporation.

Section 4. Validity of Actions. No contract or other transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, firm, association or other entity in which one or more of its Directors or officers are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Director or Directors or officer or officers are present at the meeting of the Board of Directors, or of a committee thereof, which authorizes such contract or transaction, or that his or their votes are counted for such purpose, if the material facts as to such Director's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested Director or officers. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Director or officer should not be present at the meeting.

Section 5. Employee Conflicts of Interest. An employee of the Corporation with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions relating to the matter, and shall follow the direction of the supervisor as to how the Corporation decisions which are the subject of the conflict will be determined. The Executive Director/Chief Executive Officer shall be responsible for determining the proper way for the Corporation to handle Corporation decisions which involve unresolved employee conflicts of interest. In making such determinations, the Executive Director/Chief Executive Officer may consult with legal counsel.

The Executive Director/Chief Executive Officer shall report to the Board at least annually concerning employee conflicts of interest which have been disclosed and contracts and transactions involving employee conflicts which Deputy Executive Director/Chief Executive Officer has approved.

ARTICLE X - COMPENSATION

Section 1. Reasonable Compensation. It is the policy of the Corporation to pay no more than reasonable compensation for personal services rendered to the Corporation by officers and employees. The Directors shall not receive compensation for fulfilling their duties as Directors, although Directors may be reimbursed for actual out-of-pocket expenses, which they incur in order to fulfill their duties as Directors. Expenses of spouses will not be reimbursed by the Corporation unless the expenses are necessary to achieve a Corporation purpose.

Section 2. Approval of Compensation. The Board must approve in advance the amount of all compensation for officers of the Corporation.

Before approving the compensation of an officer, the Board shall determine that the total compensation to be provided by the Corporation to the officer is reasonable in amount in light of the position, responsibility and qualification of the officer for the position held, including the result of an evaluation of the officer's prior performance for the Corporation, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Corporation to the individual in payment for services. At the time of the discussion and decision concerning an officer's compensation, the officer should not be present in the meeting. The Board shall obtain and consider appropriate data concerning comparable compensation paid to similar officers in like circumstances.

The Board shall set forth the basis for its decisions with respect to compensation in the minutes of the meeting at which the decisions are made, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable in light of the evaluation and the comparability data.

ARTICLE XI - GENERAL

Section 1. Books and Records. These shall be kept at the office of the Corporation: (1) correct and complete books and records of accounts; (2) minutes of the proceedings of the Board and the standing and special committees of the Corporation; (3) a current list of the Directors and the officers of the Corporation, and their residence addresses; (4) a copy of these By-laws; (5) a copy of the Corporation's application for recognition of exemption with the Internal Revenue Service (if applicable); and (6) copies of the past three (3) years' information returns to the Internal Revenue Service (if applicable).

Section 2. Loans to Directors and Officers. No loans shall be made by the Corporation to its Directors or officers, or to any other company, corporation, firm, association or other entity in which one or more of the Directors or Officers of the Corporation are members, director or officers or hold a substantial financial interest except as allowed by law.

Section 3. Fiscal Year. The fiscal year of the Corporation shall commence on January 1 in each calendar year and shall end on December 31 of each calendar year.

Section 4. Training. All Directors appointed 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. All other Directors of the Board shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the Corporation, and shall adhere to the highest standards of responsible governance.

ARTICLE XII - DISSOLUTION

Section 1. Distribution of Corporate Assets. In the event of dissolution, all of the remaining funds, assets and property of the Corporation shall, after payment of all debts and liabilities of the Corporation of whatsoever kind and nature, be paid and/or distributed to Town of Huntington, subject to an order of a Justice of the Supreme Court of the State of New York pursuant to Section 1008 of the New York Not-For-Profit Corporation Law.

Section 2. Dissolution Upon Repayment of Mortgage Loan. If the Corporation accepts a mortgage loan or loans from the New York Job Development Authority, the Corporation shall be dissolved in accordance with the provisions of section 1411(g) of the New York Not-for-Profit Corporation Law upon the repayment or other discharge in full by the Corporation of all such loans.

ARTICLE XIII - AMENDMENTS

Section 1. Amendments to By-laws. The By-laws of the Corporation may be amended or repealed by the Member or a majority of all of the Directors at a regular meeting or special meeting. Any By-law adopted by the Board may be amended or repealed by the Member. At least seven (7) days written notice thereof of the proposed amendments must be provided to the Member or Directors prior to adoption.