



**County Players, Inc.
Corporate By-Laws**

Approved at a Special Meeting of the Board of Governors on Tuesday, May 17, 2016.

Approved at the Annual Meeting of the Corporation on _____, and in effect of this date.

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ARTICLE I.

Name, Territory, Office and Corporate Status

Section 1. *Name.* The Corporation shall be known as: County Players, Inc. (hereinafter called “The Corporation”).

Section 2. *Office.* The principal office of the Corporation shall be located in the County of Dutchess, State of New York. This office shall direct corporate activities and be the depository for all corporate records. The Corporation may also have offices at such other places within the state as the governing body (hereinafter called “Board of Governors”) may, from time-to-time, determine and/or the business or operations of the Corporation may require.

Section 3. *Corporate Status.* The Corporation is a New York Not-for-Profit Corporation, a “Charitable Corporation” as defined by the Not-for-Profit Corporation Law, and exempt from income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

ARTICLE II.

Corporate Purposes and Document Construction

Section 1. *Corporate Purposes.* The purposes of the Corporation are set forth in the Certificate of Incorporation, as may be amended, and qualify the Corporation for exemption from income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as may be amended.

The Corporation, to wit, is organized to achieve the following objectives:

- a) to present excellent theatrical productions in the Mid-Hudson area,
- b) to promote and develop interest in theatre and its allied arts and to provide media for the expression of such interest,
- c) to provide for the education and training of its Members and the public in all phases of the dramatic arts, and
- d) to encourage high standards of theatre practices through the sharing and exchange of information among the Corporation Members, and with other bona fide groups and organizations, and by subscribing to those allied societies, associations and for institutions deemed by the Board of Governors of the Corporation to fulfill the intent of this section of the By-laws.

Section 2. *Document Construction.* Any amendment to the purposes of the Corporation must be rendered in accordance with the requirements of Article XI herein. If there is any conflict between the provisions of the Certificate of Incorporation, as may be amended, and these By-Laws, provisions of the Certificate of Incorporation, as may be amended, shall govern.

ARTICLE III.

Membership

Section 1. *Classes of Membership Authorized.* Unless otherwise stipulated herein, the Corporation shall have two (2) classes of Members:

1. **Subscribing Member** – One who supports the efforts of the Corporation as subscribers or in some other capacity in accordance with the criteria and rates established from time to time by the Board of Governors.

2. **Honorary Lifetime Member** – One who shall from time to time, be selected by the Board of Governors to be so honored.

Section 2. *Qualifications and Criteria for Membership.* To qualify as a voting Member of the Corporation, a Member must meet the following criteria:

- a) be at least eighteen (18) years of age, and
- b) be a fully paid Subscribing Member or an Honorary Lifetime Member.

A Member is an individual who meets these classifications, and so identified by the Membership Committee in a manner established from time to time by the Board of Governors.

The Board of Governors may establish additional qualifications and criteria for Membership, including a schedule of dues, and any waivers thereof, as well as procedural requirements for, and prohibitions applicable to, prospective Members, unless otherwise proscribed by statute, the Certificate of Incorporation and/or these By-Laws.

2.1. *Membership Dues and Season.*

- a. The annual subscription rates for Membership shall be established by the Board of Governors.
- b. Changes to the subscription rates applicable in any season shall be established before the annual meeting immediately preceding that season.
- c. The season is defined to run from June 1st in any year to May 31st in the following year.
- d. Subscription rates are payable no later than October 1, or such other time as the Board of Governors may establish.

Section 3. *Evidence of Membership.* Each Member shall be issued appropriate evidence or proof of Membership, which shall be nontransferable.

Section 4. *Termination of Membership.*

4.1. *Termination by the Membership.* Termination of Membership by the Members, themselves, shall be authorized, with, or without cause, by majority vote of the Membership at the Annual Meeting or a Special Meeting of the Membership called for that purpose.

4.2. *Termination by the Board of Governors.* If a Member should willfully bring discredit or disgrace upon the Corporation or neglect responsibilities previously accepted with the result that the Corporation suffers, to a serious degree, such Member after a hearing before the Board of Governors, such Member may be expelled from Membership by a vote of three-fourths (3/4th) of the Entire Board of Governors and will forfeit such dues as have already been paid and voting privileges, but not pre-paid admission privilege.

If a Member is also a Governor of the Corporation, any further sanction by the Board of Governors must follow the procedure provided in these By-Laws for the removal of Governors.

Section 5. *Annual Meeting.* A meeting of the Members entitled to vote shall be held in June of each year, unless otherwise ordered by the Board of Governors, at such time and place as determined by the Board of Governors.

Section 6. *Special Meetings.* Special Meetings of the Members entitled to vote may be called at any time by the President, by the Board of Governors, or by petition of ten (10) per cent, but not fewer than fifteen (15) of the voting Members. No business shall be conducted at a Special Meeting that is not included in the issued Notice as stipulated herein.

Section 7. *Meeting Notice.*

7.1. *Notice Requirements.* Notice shall be given to each Member entitled to vote, ten (10) days prior to each Meeting of Membership, stating the place, date and hour of the Meeting. Notice of a Special Meeting shall, in addition, identify:

- i. the person, or persons, calling the meeting; and,
- ii. the purpose, or purposes, for which said meeting is being called.

7.2. *Written Notification.* Unless the Corporation has over five hundred (500) Members, written notice of any Meeting of the Membership shall be given personally or by first class mail, facsimile or by electronic mail, not less than ten (10) nor more than fifty (50) days before the date of the Meeting. Notice shall be deemed given as stipulated below:

- i. if personally, upon receipt by the Member;
- ii. if mailed, when deposited in the United States Mail, with postage prepaid, directed to the Member at the Member's current address of record as it appears on the list of Members; or,
- iii. if sent by electronic mail or facsimile, when forwarded to the facsimile number, or electronic mail address, as either appear on the list of Members, excepting that any such notice shall not be considered properly delivered if the Corporation is:
 - (a) unable to deliver two (2)-consecutive notices to the designated electronic mail address or facsimile number or,
 - (b) is otherwise made aware that notice cannot be delivered to the Member or electronic mail or facsimile.

7.3. *Notification by Publication.* Provided the Corporation has more than five hundred (500) Members, notice of Meetings of the Membership may be given by publication. Any such notice shall be:

- i. published in a newspaper published in the County in which the principal office of the Corporation is located once a week for 3-successive weeks immediately preceding the Meeting; and,
- ii. prominently posted on the homepage of the Corporation's website continuously from the date of newspaper publication through the date of the Meeting.

Section 8. *Waiver of Notice.* Should any Member fail to receive proper notice of a Meeting of the Membership, as otherwise required by these By-Laws, the Member shall waive his/her right to any such notice if:

- i. the Member attends the Meeting of the Membership without objection to the lack of proper notice, prior to said Meeting being called to order; or,
- ii. either before or after the Meeting, the Member submits, a waiver of notice, which if tendered personally, in writing or by facsimile, shall be validated by written or electronic signature; or if submitted by electronic mail, shall include information from which the Corporation can reasonably determine that the waiver was properly authorized.

Section 9. *Qualification of Voters.* The Board of Governors may fix a date as the record date for the purpose of determining the Members entitled to vote at any Meeting of the Membership, or to express consent to or dissent any proposal without a Meeting. The record date shall not be more than fifty (50) nor less than ten (10) days before the date of the Meeting.

Section 10. *Quorum.* A quorum shall be required for the legal and proper conduct of the business of the Membership. At any, duly called Meeting of the Membership, ten (10) percent, but not fewer than twenty (20) of the voting Members represented in person or by proxy shall constitute a quorum for the transaction of business.

They shall be considered present as a consequence of physical attendance and/or use of telephone/video-conference technology and/or use proxy shall constitute a quorum. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Member(s).

10.1. *Adjournment.* A majority of the Members entitled to vote present at any meeting of the Membership, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all Members entitled to vote absent at the time of the adjournment and unless such time and place are announced at the meeting, to the other Governors.

Section 11. *Organization.*

11.1. *Chairperson.* At all meetings of the Membership, the President, or, in his/her absence, the Vice-President or, in his/her absence, another Governor chosen by the Membership shall preside.

11.2. *Secretary.* At all meetings of the Membership, the Secretary, or, in his/her absence, any Assistant Secretary or, in his/her absence, another Governor chosen by the Membership shall act as secretary at the meeting.

Section 12. *Voting.* Each Member shall have one (1) vote for purposes of the election of Governors and the transaction of any other business considered by the Membership.

The voting may but need not be by written secret ballot and plurality of the votes cast shall elect. All properly executed proxies received by the date and time of said meeting shall be included in all voting tallies. Eligibility to vote and/or to receive a prepared ballot at the Annual Membership or any Special meeting shall be verified with an up-to-date list of Members and a list of Members whose proxies have been received, which list shall be in the control of the Secretary of the Board of Governors, or designee.

Section 13. *Action by the Membership.*

13.1. *Action Defined.* Except as otherwise provided by statute and/or these By-Laws, an “act,” or “action,” of the Membership shall mean an action at a Meeting of the Membership authorized by vote of a majority of the Members present at the time of the vote, provided a sufficient quorum is present.

13.2. *Electronic Communication.* Any, or all, Members may participate in any Meetings of the Membership, by means of a conference telephone, electronic video screen communication or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting of the Membership.

13.3. *Proxies.* Every Member entitled to vote at a Meeting of the Membership may authorize another person, or persons, to act on his/her behalf by use of proxy. Any voting Member may vote at any corporate meeting by having submitted a properly executed proxy form, which shall have been sent to each voting Member no less than thirty (30) days prior to any corporate meeting. All proxies received up to the Call to Order of the meeting shall be counted in any tally of voting.

If submitted by electronic mail, it shall include information from which the Corporation can reasonably determine that the proxy was properly authorized. No proxy shall be valid after the expiration of eleven (11) months from the

date thereof, unless otherwise provided by proxy. Every proxy shall be revocable at the pleasure of the Member executing same, except as may otherwise be provided by law.

Section 14. *Action by Members on Unanimous Written Consent.* Any act, or action, required or permitted to be taken by the Membership may be taken without a Meeting if each Member submits to the Secretary, or his/her designee, a written consent, delivered personally or by regular mail, facsimile and/or electronic mail, authorizing a resolution to permit the action. A copy of the resolution, and all written consents thereto, shall be filed with the minutes of the proceedings of the Membership.

Section 15. *Reports.* In a manner sufficient to comply with applicable statutory obligations, the Board of Governors shall annually present to the Membership a report, verified by appropriate Officers, or certified by an Independent Auditor, if so required, outlining, in appropriate detail, the Corporation's fiscal status, including an annual balance sheet and profit and loss statement or a financial statement performing a similar function for the preceding fiscal year, confirming assets (restricted and unrestricted) and liabilities, revenues and receipts and expenses and disbursements, together with any, and all necessary and/or required supporting documentation. Each such report shall be filed with the records of the Corporation and a copy, or an abstract thereof, shall be entered in the minutes of the proceedings of the Meeting of the Members at which the report is presented.

Section 16. *Inspectors of Election.* The Board of Governors, in advance of any meeting of the Membership, may appoint one (1) or more inspectors to act at the meeting or any adjournment thereof. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Governors in advance of the meeting or by the Chairperson thereat. Each inspector, before entering upon the discharge of his/her duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his/her ability.

ARTICLE IV. Board of Governors

Section 1. *General Management.* The Board of Governors shall have ultimate authority in governing the operations, finances and affairs of the Corporation. The Board of Governors, with the advice of various committees, if so authorized, shall implement, monitor and modify, as may be needed, policies and procedures necessary for proper corporate management. It shall be empowered to employ necessary staff, retain necessary professional assistance, authorize agreements and expenditures and take all necessary and proper steps to advance the purposes and promote the best interests of the Corporation.

Board of Governors responsibilities shall include establishment and recording of the policies by which the affairs and business of the Corporation shall be conducted, control of all properties and funds of the Corporation, and making all appropriations and decisions for the payment of all moneys and expenses of the Corporation.

Section 2. *Number.* There shall be, at least eleven (11), but no more than fifteen (15), seats on the Board of Governors, including Officers, with the exact number to be established from time-to-time by majority vote of the Board of Governors.

Section 3. *Ex Officio Governors.* The Board of Governors by majority vote may also appoint *ex officio*, non-voting Governors to serve on the Board of Governors, if deemed to be in the best interests of the Corporation. Any such *ex officio*, non-voting Governors shall be entitled to all rights and entitlements of other Governors, and obligated to honor all corresponding fiduciary duties, excepting they shall not be entitled to:

- i. attend, or receive notice of, any Meeting of the Board of Governors, or its various committees, if the purpose of said Meeting(s) relates to concerns with respect to the given *ex officio*, non-voting Governor;
- ii. be counted for purposes of determining quorum for any Meeting of the Board of Governors, or its various committees;
- iii. vote on any matter being considered by the Board of Governors, or its various committees; and/or,
- iv. hold elective Office with the Corporation.

The Executive Director shall serve as an *ex-officio*, non-voting Governor while employed by the Corporation.

Section 4. *Qualifications.* All Officers and Governors must be at least eighteen (18) years of age, committed to advancing the purposes of the Corporation, and a Member of The Corporation.

A Member of the Board of Governors must be a current Member of the Corporation at the time of his/her election to the Board of Governors and must maintain this Membership in order to retain his or her seat. Members of the Board of Governors who fail to renew their Membership on or before June 1st of each year shall be deemed to have resigned from the Board of Governors. A person of the immediate household of a current Member of the Board of Governors shall be ineligible for nomination.

Section 5. *Selection Procedure, Terms of Office, Newly Created Governorships and Vacancies*

5.1. *Selection Procedure.* The nomination and election process shall be as follows:

- 1) A slate consisting of one eligible Member to fill each vacant position shall be presented by the Nominating Committee.
- 2) The slate shall be announced in the Corporation's notification of the Annual Membership Meeting. A brief description of each nominee's qualifications should be included.
- 3) Preprinted ballots shall be made available at the Annual Membership Meeting and shall be distributed, one (1) to each qualified Member present for the election process.
- 4) Any Member may make additional nominations of qualified candidates, along with supporting statements, from the floor.
- 5) The Nominating Committee shall be responsible for counting the ballots and for announcing the voting results prior to the conclusion of the meeting.

At each Annual Meeting, the voting Membership, by a plurality of the votes cast, shall elect new Governors to replace those whose terms are expiring to terms of three (3) years in duration. All Members entitled to vote shall cast a vote for a number of candidates equal to the number of vacancies to be filled until the required number of Board of Governors Members is achieved. If, at any time during this process, there is a tie among a number of candidates, which number is greater than the number of vacancies remaining, the voters shall thereupon vote again, casting a number of votes equal to the remaining vacancies. Only the candidates who are tied may run in this subsequent election. The remaining vacancies shall be filled as outlined above. All subsequent ties shall be dealt with as outlined herein.

5.2. *Terms of Office.* The term of office for a Governor shall be three (3) years in duration, unless otherwise provided in these By-Laws. Approximately one-third (1/3) of the Governors shall be selected every year. The terms of office for all Governors shall begin on the day of their election and shall conclude upon the election of their successors. Governors may serve consecutive terms.

5.3. *Newly Created Governorships.* Newly created Governorships resulting from an increase in the number of Governors shall be filled by vote of a majority of the voting Membership. Governors elected to fill newly

created Governorships shall hold office in accordance with their classification and until their successors have been elected and qualified.

5.4. *Vacancies.* A vacancy in office shall arise upon the resignation, removal, incapacitation or death of a Governor. Whenever a vacancy exists in the Board of Governors by reason of resignation or otherwise, it shall be filled, until the next annual meeting of the Corporation, by election by the Board of Governors from among eligible Members of the Corporation. At the succeeding Annual Membership Meeting, a Governor shall be elected by the Membership by secret ballot to fill any remaining portion of that term.

A vacancy on the Board of Governors occurring in the interim between Annual Meetings may be filled by an interim successor appointed by the Board of Governors. At the next Annual Meeting following the vacancy, the voting Membership may elect, by a vote of a majority of Governors, a permanent successor for the vacated position. Governors elected to fill vacancies shall hold office for the remainder of the term of the vacated position in accordance with the classification of said position and until their successors have been elected and qualified. No period of interim service shall be considered for purposes of establishing limitations on the terms of Governors.

Section 6. *Resignation.* A Governor may resign, at any time, by giving written notice to the Board of Governors, the President, or the Secretary. Unless otherwise specified in notice, the resignation shall take effect upon receipt thereof by the Board of Governors, the President, or the Secretary, and the acceptance of the resignation shall not be necessary to make it effective.

Governors who absent themselves from scheduled meetings, without prior excuse from the President, from two (2) successive regular meetings of the Board of Governors shall be deemed to have tendered resignation from the Board of Governors.

In the event the President shall be absent, they shall receive approval by a majority of those Governors present at any meeting in ratification of excusing such absence.

Any Board of Governor who fails to fulfill his/her duties as outlined in the organization's By-laws and his/her position agreement, will be notified of the failure by the Board of Governors. If the Board of Governor fails to correct the shortcomings, or to begin a process to correct the shortcomings, then he/she will be subject to removal from office by the Board of Governors. Repeated failure to perform assigned duties, within thirty (30) days after notification by the Board of Governors, will be viewed as a resignation by the Board of Governor. Positions that become vacant through this process will be subject to the rules of vacant offices contained in these By-laws.

Section 7. *Removal.* Any Board of Governor(s) may be removed, with, or without, cause, by a two-thirds (2/3s) majority vote of the Board of Governors at any Annual Meeting, Regular Meeting or Special Meeting of the Board of Governors called for that purpose. A decision to remove a Governor may temporarily restrict or permanently prohibit the Governor in question from being reelected to the Board of Governors, at the sole, and exclusive, discretion of the then-seated Board of Governors. Prior to any meeting where a vote is to be taken to remove a Governor, the Governor in question, and all other Governors, shall receive specific notice of said anticipated action in a manner sufficient to comply with all other requirements of this Article. At any meeting where a vote is to be taken to remove a Governor, the Governor in question shall be entitled to attend and afforded a reasonable opportunity argue in his/her defense.

Section 8. *Meetings.*

8.1. *Regular Meetings.* Meetings of the Board of Governors shall be held monthly at such time and place as the President may determine. Special Board of Governors meetings may be called at any time by the President at the request of four (4) or more Governors. The Secretary shall give notice of all Special Meetings of the Board of Governors to each Governor at least twenty-four (24) hours before the meeting.

Reasonable advance notice of the Regular Meetings, including time, date, purpose, and location, shall be given by means of the advance scheduling of meeting dates, publishing the dates of the meetings on the website of the Corporation, regular mail, facsimile, electronic communication, telephone and/or personal delivery.

8.2. *Special Meetings.* The Board of Governors, whenever called by the President, the Secretary, or any three (3) Governors, may convene Special Meetings in order to consider specific matters that may be confronted by the Corporation between Regular Meetings, provided the order of business is limited solely to purposes specified in the meeting notice. Notice of Special Meetings, including purpose, time, date and location, shall be given by regular mail, facsimile, electronic communication, telephone and/or personal delivery. If notice is given by telephone or personal delivery, it shall be given not less than four (4) days before the Meeting. If notice is given by regular mail, facsimile or electronic communication, it shall be given not less than seven (7) days before the Meeting. Special meetings may be convened without notice to the general Membership and may be closed to the public for privacy issues if needed.

Section 9. *Waivers of Notice.* Notice of any Meeting of the Board of Governors need not be given to any Governor who submits a signed waiver of notice, by regular mail, electronic mail, facsimile or personal delivery, to the Board of Governors, the President or the Secretary, either before or after the Meeting, or who attends the meeting without protesting prior to formal commencement, the lack of formal notice.

Section 10. *Quorum.* A quorum shall be required for the legal and proper conduct of the business of the Board of Governors. A majority of the Entire Board of Governors shall constitute a quorum for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Board of Governors.

Section 11. *Organization.*

11.1. *President.* At all meetings of the Board of Governors, the President, or, in his/her absence, the Vice President, or, in his/her absence, another Governor chosen by the Board of Governors shall preside.

11.2. *Vice President.* At all meetings of the Board of Governors, the Vice President, or, in his/her absence, another Governor chosen by the Board of Governors shall act as Secretary of the meeting.

Section 12. *Voting.* Each Governor shall have one (1) vote, and no proxies are permitted. In the event that there is an even number of Board of Governors present for a vote the President will abstain from voting.

Section 13. *Parliamentary Law.* In all matters of parliamentary procedure not covered or contradicted by these By-Laws, or applicable statute, regulation or contractual obligation, Roberts Rules of Order, newly revised, shall be used as a guideline in answering all questions of proper parliamentary procedure. Roberts Rules of Order shall be available at each meeting of the Corporation and Board of Governors.

13.1. *Corporate Operating Procedures.* The Board of Governors shall develop, maintain and periodically review corporate operating procedures, which are defined as those practices under which the Corporation conducts its business in accordance with and not in conflict with these By-laws.

Section 14. *Action by the Board of Governors.*

14.1. *Action Defined.* Except as otherwise provided by statute and/or Article XI of these By-Laws, an “act,” or “action,” of the Board of Governors shall mean an action at a meeting of the Board of Governors authorized by vote of a majority of the Governors present at the time of the vote, provided a sufficient quorum is present.

14.2. *Written Unanimous Consent.* Any action required or permitted to be taken by the Board of Governors may be taken without a meeting if the Entire Board of Governors submits to the Secretary of the Corporation, or his/her designee, a written consent, delivered by regular mail, facsimile and/or electronic mail, authorizing a resolution to permit the action. A copy of the resolution, and all written consents thereto, shall be filed with the minutes of the proceedings of the Board of Governors.

14.3. *Electronic Communication.* Any, or all, Governor(s), or committee Member(s), may participate in any meetings of the Board of Governors, by means of a conference telephone, electronic video screen communication or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting of the Board of Governors.

Section 15. *Presumption of Concurrence.*

15.1. *Meeting Participation.* A Governor who participates in a meeting of the Board of Governors at which an act, or action, on any corporate matter is taken shall be presumed to have concurred to the action taken unless said Governor:

- i. assures that his/her dissent is entered in the minutes of the meeting;
- ii. files a written dissent to such act or action with the Secretary of the meeting before the adjournment thereof, or;
- iii. forwards a written dissent, by regular mail, facsimile, electronic communication or personal delivery, to the Secretary, immediately after the adjournment of the meeting.

15.2. *Meeting Absence.* A Governor who is absent from a meeting of the Board of Governors at which an act, or action, on any corporate matter is taken shall be presumed to have concurred to the action taken unless said Governor:

- i. forwards a written dissent, by personal delivery and/or registered mail, to the Secretary; or personally delivers or sends by registered mail, his/her written dissent thereto to the Secretary; or,
- ii. assures that his/her dissent is entered in the minutes of the meetings of the Board of Governors within a reasonable time after learning of such action.

ARTICLE V.
Officers

Section 1. *Officers, Appointment, Term.* The Board of Governors shall appoint by majority vote a President, Vice President, Business Manager, Secretary, and Treasurer, and such other Officers as it may determine are needed from time-to-time, who shall be given such duties, powers and functions as hereinafter provided. Any two or more

offices may be held by the same person, except the offices of President and Secretary, or the offices corresponding thereto.

The officers shall be elected by the Board of Governors from among their own number at the first meeting of the Board of Governors following the Annual Membership Meeting of the Corporation. Contested election shall be by secret ballot.

Officers shall be appointed to hold office for one (1) year from the date of appointment. Each Officer shall hold office for the term for which he/she is appointed and until his or her successor has been appointed. There is a term limit of three (3) successive Officer terms for President and Vice President. However, a Governor may conclude the term limit for one Officer position and subsequently be elected to a different Officer position.

Section 2. *Suspension, Removal, Resignation.* Officers serve at the discretion of the Board of Governors. Any Officer appointed by the Board of Governors may be suspended or removed by a majority vote of the Board of Governors. In the event of the resignation, suspension, removal, incapacitation or death of an Officer, the President shall appoint an acting successor to fill the un-expired term. This appointment shall be confirmed by a majority vote of the Board of Governors within the next two (2) Regular Meetings.

Section 3. *Duties.*

3.1. *President.* The President shall be the principal volunteer executive officer of the Corporation and shall in general monitor and supervise the business and affairs of the Corporation. He/she shall preside at all meetings of the Board of Governors and shall be a voting Member of all Committees of the Board of Governors and Committees of the Corporation, unless otherwise precluded by statute, regulation and/or these By-Laws. The President is authorized to sign any deeds, mortgages, bonds, contracts or other instruments that the Board of Governors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Governors, these By-Laws and/or applicable regulation or statute to some other Officer or agent of the Corporation. The President is the sole Officer or Governor authorized to speak on behalf of the Corporation, unless the President and/or the Board of Governors have otherwise delegated such authority to another Officer, Governor and/or representative or otherwise directed by these By-Laws. The President shall perform such other duties as from time-to-time may be assigned to him/her by the Board of Governors.

3.2. *Vice President.* The Vice President shall:

- a) perform the duties and have the authorities of the President in the absence of the President,
- b) serve as chairman of the Finance Committee,
- c) be an ex-officio Member of all other committees except the Nominating Committee, and
- d) be assumed to succeed as President upon the expiration of the preceding President's term of office.

3.3. *Business Manager.* The Business Manager shall:

- a) be liaison with all external agencies having or soliciting standard business with the corporation, such as:
 - 1) provision of insurance coverage,
 - 2) solicitation of credit recognition by firms and vendors,
 - 3) negotiation of contracts and coordination of same with responsible individuals, groups or committees of the corporation, and
- b) perform of such other business duties as may be prescribed by the Board of Governors.

3.4. *Treasurer.* The Treasurer shall be responsible for the supervision and accounting of all funds received or expended by the by the Corporation and shall keep the Board of Governors informed on all pertinent financial matters. The Treasurer shall provide a financial report at all Regular Meetings of the Board of Governors in a

format prescribed by the Board of Governors. The Treasurer shall perform other duties as from time-to-time may be assigned to him/her by the President and/or the Board of Governors. Such duties shall further include:

- a) have custody of the funds of the Corporation,
- b) receive and disburse all moneys,
- c) make expenditures consistent with the direction of the Board of Governors or, where authorized, the Finance Committee,
- d) keep accurate, detailed and permanent records of receipts and expenditures,
- e) present a full report, to the Board of Governors at such times as it may require, and
- f) present books to the Finance Committee for audit each year.

3.5. *Secretary.* The Secretary shall generally be responsible for assuring that the records of the Corporation are properly recorded, documented and stored and that all informal or formal notices that may be issued by the Corporation are tendered in a manner in compliance with all applicable statutes, regulations, contracts, ethical obligations, the Certificate of Incorporation, as may be amended, and these By-Laws. The Secretary shall assure that the minutes of the meetings of the Board of Governors, and Committees of the Board of Governors or Corporation, if any, are properly recorded, documented and stored; keep a register of the post office address, telephone number and, where appropriate electronic address of each Officer, Governors and Members of committees who do not serve on the Board of Governors, if any; notify Governors of election and Members of committees of appointment; and, generally serve as custodian of the records of the Corporation. He/she may delegate recording, documentation and storage and other duties, as deemed appropriate, to other Officers, excepting the President, Governors, or employees of the Corporation. The Secretary shall perform such other duties as from time-to-time may be assigned to him/her by the President and/or the Board of Governors.

ARTICLE VI. Committees

Section 1. *Committee Types and General Authority and Responsibilities.* The Board of Governors may permissibly charge committees to perform various functions on behalf of the Corporation in either of the two (2) available types: Committees of the Board of Governors and Committees of the Corporation. Each Committee of the Board of Governors and Committee of the Corporation, and every Member thereof, shall serve at the pleasure of the Board of Governors. All Committees shall keep minutes of all proceedings, to be regularly submitted to the Secretary for subsequent distribution to the Entire Board of Governors, and report to the Board of Governors, at its next scheduled Regular Meeting, all activities and determinations.

The President shall appoint committee Members, subject to Board of Governors majority vote approval, for any committees so authorized by the Board of Governors.

Section 2. *Committees of the Board of Governors.* Committees of the Board of Governors shall be comprised solely of, at least, three (3) voting Governors appointed by the President and shall have either standing authority and/or may be designated specific authority from time-to-time by the Board of Governors to take action within statutory limitations that would legally bind the Board of Governors and/or the Corporation. No Committee of the Board of Governors shall have such the authority in the following matters:

- i. submission to Members, if any, of any act, or action, requiring Members approval by statute and/or these By-Laws;
- ii. filling of vacancies on the Board of Governors, or in any of its various committees;
- iii. fixing of compensation for Governors, or Members of its various committees;
- iv. authorization of any form of Fundamental Corporate Change, as set forth in these By-Laws, including, but not limited amendment, or repeal, of these By-Laws or the adoption of new By-Laws; and/or,

- v. amendment, or repeal, of any resolutions of the Board of Governors, which by its terms, shall not be capable of amendment or repeal.

Section 3. *Committees of the Corporation.* Committees of the Corporation shall be comprised of at least three (3) individuals elected by majority vote of the Entire Board of Governors and shall either have standing authority or may be designated specific authority from time-to-time by the Board of Governors. Committees of the Corporation are advisory in nature and cannot under any circumstances take actions that bind the Board of Governors and/or the Corporation.

The Board of Governors shall appoint, at least, three (3) voting Governors and/or non-Governors, to serve on the following standing Committees of the Corporation: Resource Development and Advancement; Nominating; Finance and Governance; Building Operations; Theatre Operations. The Board of Governors, by resolution adopted by the majority of the Board of Governors, may designate other standing, or *ad hoc*, Committees of the Corporation, with such authority as the applicable resolution shall provide.

Section 4. *Qualifications.* The Board of Governors may establish or waive qualifications for committee Membership at its discretion.

Section 5. *Meetings.* Meetings of committees, of which no formal notice shall be necessary, shall be held at such time and place as may be fixed by the President or the Chair of the applicable Committee or by majority vote of the Members of the committee.

Section 6. *Quorum and Manner of Acting.* Unless otherwise provided by resolution of the Board of Governors, 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 all committees shall be subject at all times to the direction of the Board of Governors. All committees shall maintain appropriate minutes of their meetings in an effort to document proper and appropriate oversight.

Section 7. *Committees of the Corporation Authorized.* This is a non-exhaustive list of the duties for these committees:

7.1. *Resource Development and Advancement.* This committee shall contribute on areas related to fundraising, marketing, PR, and celebrations, along with other duties as assigned by the President.

7.2. *Nominating.* The Nominating Committee shall consist of one Governor and two non-Governor Members. This committee shall nominate a slate of candidates for Governors, and shall report this slate at the April meeting of the Board of Governors. Service on the Nominating Committee shall not disqualify a Member from nomination. Slate shall be defined as the nomination of one candidate per vacancy. This committee shall have other duties as assigned by the President.

7.3. *Finance and Governance.*

- 1) A Finance and Governance Committee, consisting of the Vice President who shall act as chair, the Business Manager, the Treasurer, and one non-Governor Member appointed by the President, shall oversee the financial activities of the Corporation and advise the Board of Governors on financial matters, and prepare such budgets as the Board of Governors may direct. A quorum of three (3) Members shall be required at meetings of the Finance Committee for the transaction of business.

- 2) The Finance and Governance Committee, acting as an agent of the Board of Governors, is empowered to authorize emergency expenditures in excess of those authorized by the Board of Governors, up to a maximum to be determined by the Board of Governors, between any two (2) meetings of the Board of Governors, unless this power has been specifically limited by the Board of Governors. All such authorizations must be reported at the next meeting of the Board of Governors.
- 3) Excluding the Treasurer, the other three (3) Members of the Finance Committee shall act as an Audit Committee to audit the Treasurer's book at the completion of each fiscal year.

7.4. *Building Operations.* This committee shall contribute on areas related to real property development and maintenance, along with other duties as assigned by the President.

7.5. *Theatre Operations.* This committee shall contribute on areas related to producing theatre, along with other duties as assigned by the President.

ARTICLE VII.

Elected Officer and Governor Compensation, Reimbursement and Loans

Section 1. *Compensation.* No elected Governor, Officer or Member of a committee shall receive compensation for his/her services as a Governor, Officer and/or Member of a committee, but if properly authorized, may permissibly receive other compensation for services that may be rendered to the Corporation, provided any such compensation is awarded pursuant to all applicable policies and procedures required by statute, regulation and/or these By-Laws. The Board of Governors shall be empowered to provide reasonable compensation, together with reimbursement for reasonably incurred expenses, for offices or positions not afforded voting privileges for purposes, such as the position of Executive Governor.

Section 2. *Reimbursement.* Notwithstanding the mandates of this Article, at the discretion of the Board of Governors, individual Governors, Officers, Members of Committees and employees may be reimbursed in an amount determined by the Board of Governors for expenses reasonably incurred by them in the performance of their duties on behalf of the Corporation.

Section 3. *Loans.* No loans shall be made by the Corporation to its Governors, Officers, Members of committees or to any other corporation, firm, association or other entity in which one or more of its Governors, Officers or committee Members are Governors or officers or hold a substantial financial interest, except as may be permitted by statute.

ARTICLE VIII.

Fiscal Year, Independent Financial Audit, and Finances

Section 1. *Fiscal Year.* The fiscal year for The Corporation shall commence on the 1st day of June and conclude on the 31st day of May.

Section 2. *Independent Financial Audit.* If required pursuant to stipulated statutory thresholds dictated by revenue annually received and/or other applicable regulation and/or contractual obligation, demanded by the Office of the Attorney General, requested by another regulatory agency or funder as a condition of funding, or otherwise recommended and authorized by the Board of Governors, the accounts of The Corporation shall be subject to an annual audit report or review to prepared by an Independent Auditor (as defined by statute) to be overseen by either the Board of Governors, or an authorized Committee of the Board of Governors, in a manner compliant with all applicable statutory, regulatory and contractual obligations.

ARTICLE IX.
Statutory Compliance

Section 1. *Definitions.* Should any term, phrase or understanding relative to any topic addressed in these By-Laws and/or the policies of the Corporation be specifically defined in a document entitled, “By-Law and Corporate Policy Definitions,” a copy of which is annexed hereto, and made a part hereof of these By-Laws as **Appendix “A,”** the stipulated definition of such term in said document shall govern for purposes of interpreting the By-Laws and/or corporate policies.

Section 2. *Conflicts of Interest and Related Party Transaction Protocols.* This Corporation shall adopt, and at all times honor, the terms of a written Conflicts of Interest and Related Party Transaction Policy to assure that its Governors, Officers and Key Employees act in the Corporation’s best interest and comply with applicable statutory, regulatory and ethical requirements. The Conflicts of Interest and Related Party Transaction Policy shall include, at a minimum, the following provisions:

- i. *Procedures.* procedures for disclosing, addressing, and documenting Conflicts of Interest and Related Party Transactions to the Board of Governors, or an authorized committee, as appropriate.
- ii. *Restrictions.* stipulations that when the Board of Governors, or an authorized committee, as appropriate, is considering a real/potential conflict of interest, the interested party shall not:
 - (a) be present at, or participate in, any deliberations;
 - (b) attempt to influence deliberations; and/or,
 - (c) cast a vote on the matter.
- iii. *Definitions.* definitions of circumstances that could constitute a Conflict of Interest and/or Related Party Transaction..
- iv. *Documentation.* requirements that the existence and resolution of the conflict and/or transaction be documented in the records of the Corporation, including in the minutes of any meeting at which the conflict was discussed or voted upon; and,
- v. *Audit-Related Disclosure.* protocols to assure for the disclosures of all real or potential Conflicts of Interest and/or Related Party Transaction are properly forwarded to the Board of Governors, or another authorized committee, as appropriate, for purposes of audit-related consideration.

Section 3. *Conflicts of Interest and Related Party Transaction Conflicts Policy.* The Conflicts of Interest and Related Party Transaction Policy of the Corporation required in order to comply with the mandates of Section 2 of this Article is annexed hereto, and made a part hereof as **Appendix “B.”** This policy may only be amended, modified or repealed by a two-thirds (2/3) majority vote of the Board of Governors present at any Annual Meeting, Regular Meeting or Special Meeting called for that purpose with the change in policy to not be applicable to any pending or currently being reviewed real or potential conflicts of interest or Related Party Transaction.

Section 4. *Potential Conflicts Disclosure Statement.* The Potential Conflicts Disclosure Statement of the Corporation required in order to comply with the mandates of Section 2 of this Article is annexed hereto, and made a part hereof as **Appendix “C.”**

ARTICLE X.
Indemnification of Governors, Officers and Employees

Section 1. *Indemnification Obligations.* The Corporation shall indemnify its Governors, Officers, employees, and volunteers against judgments, fines, amounts paid in settlement and reasonable expenses and costs, including attorneys fees, in connection with any claim asserted against the Governor, Officer, employee or volunteer by court

action, or otherwise, by reason of the fact that such person was a Governor, Officer, employee or volunteer of the Corporation and acting in good-faith for a purpose which such person reasonably believed to be in the best interest of the Corporation, and was not unlawful, unethical or immoral. In order to assure adequate indemnification, the Corporation shall be required to purchase and maintain appropriate Governors and Officers (“D and O”) liability insurance coverage. Any such indemnification, and related insurance, shall be considered, awarded and governed by the terms of a comprehensive Indemnification and Insurance Policy, a copy of which is annexed hereto, and made a part hereof as *Appendix “D.”*

ARTICLE XI. Fundamental Corporate Changes

Section 1. *By-Law Amendment.* These By-Laws may be amended, repealed or altered, by a two-thirds (2/3) majority vote of the Board of Governors present at any Annual Membership Meeting, Regular Meeting or Special Meeting of the Board of Governors called for that purpose, excepting that the Board of Governors shall have no authority to amend, repeal or alter Article III, this Article XI or any other By-Law applicable to the rights, entitlements and/or obligations of the Members.

Any amendment, repeal or alteration of the By-Laws authorized by the Board of Governors shall be presented to the Membership at the next Annual Membership Meeting or Special Meeting of the Membership called for that purpose, and may be vetoed, in whole or in part, or otherwise modified by majority vote of the Members present.

The Membership may by majority vote of the Members present at any Annual Membership Meeting or Special Meeting of the Membership called for that purpose, amend, repeal or alter Article III, this Article XI, any other By-Law applicable to the rights, entitlements and/or obligations of the Members or the By-Laws, in their entirety, with or without the consent of the Board of Governors.

Section 2. *Certificate of Incorporation Amendment.* The Certificate of Incorporation of the Corporation may be changed or amended, in whole or in part, by a two-thirds (2/3) majority vote of each the Board of Governors and those entitled to cast ballots for a resolution of the Membership, provided all statutory approvals are subsequently secured and any Certificate of Amendment or Restated Certificate of Incorporation is accepted for filing by the New York Department of State.

Section 3. *Purchase, Lease, Sale, Mortgage or Disposition of Real Property or Other Assets.* The purchase, lease [for five (5) or more years], sale, mortgage or disposition of all, or substantially all, of the real property or other assets of the Corporation shall only be authorized by a two-thirds (2/3) majority vote of the Board of Governors and a two-thirds (2/3) majority vote of those entitled to cast ballots for a resolution of the Membership.

Section 4. *Creation of Corporate Affiliate Relationship.* The Corporation may only enter into any affiliate arrangement, such as a parent/subsidiary relationship with another corporation, or form a new corporation for purposes of establishing an affiliate relationship, by a two-thirds (2/3) majority vote of each the Board of Governors and those entitled to cast ballots for a resolution of the Membership.

Section 5. *Merger or Consolidation.* This Corporation may be merged or consolidated by a two-thirds (2/3) majority vote of each the Board of Governors and those entitled to cast ballots for a resolution of the Membership, provided all statutory approvals are subsequently secured and any Certificate of Merger or Consolidation is accepted for filing by the New York State Department of State.

Section 6. *Dissolution.*

6.1. *Procedure.* This Corporation may be dissolved by a two-thirds (2/3) majority vote of each the Board of Governors and those entitled to cast ballots for a resolution of the Membership, provided all statutory approvals are subsequently secured and a Certificate of Dissolution is accepted for filing by the New York Department of State.

6.2. *Residual Assets.* In seeking approvals necessary for Dissolution, the Corporation shall exercise its best efforts to assure that any residual assets shall be donated to another Not-for-Profit Corporation qualified under Section 501(c)(3) of the Internal Revenue Code with purposes similar to those of this Corporation.

APPENDIX A
By-Laws and Corporate Policy Definitions

1. **Affiliate:** Any entity controlled by, or in control of, The Corporation.
2. **Charitable Corporation:** Any Not-for-Profit Corporation formed, or deemed to be formed, for charitable purposes, including those formerly considered by the Not-for-Profit Corporation Law to be Type “B” or “C” Corporations, as well as former Type “D” with Charitable purposes.
3. **Trustee:** Any Member of the Board of Governors of The Corporation, whether designated as Trustee, trustee, manager, governor, or by any other title.
4. **Entire Board of Governors:** The total number of Trustees entitled to vote, which The Corporation would have if there were no vacancies. If the By-Laws provide that the Board of Governors shall consist of a fixed number of Trustees, then the “Entire Board of Governors” shall consist of that number of Trustees. If the By-Laws provide that the Board of Governors may consist of a range between a minimum and maximum number of Trustees, then the “Entire Board of Governors” shall consist of the number of Trustees within such range that were elected as of the most recently held election of Trustees, as well as any Trustees whose terms have not yet expired.
5. **Independent Auditor:** Any Certified Public Accountant performing the audit of the financial statements of The Corporation who is not, nor is any Member of his/her firm, an Officer, Trustee, Employee or Volunteer of The Corporation or has a Relative who is such an individual.
6. **Independent Trustee:** A Trustee who:
 - i. is not, and has not been within the last three (3) years, an Employee of The Corporation or an Affiliate of The Corporation and does not have a Relative who is, or has been within the last three (3) years, a Key Employee (as defined by these By- Laws) of The Corporation or an Affiliate;
 - ii. has not received, and does not have a Relative who has received, in any of the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from The Corporation or an Affiliate (other than reimbursement for expenses reasonably incurred as a Trustee or reasonable compensation for service as a Trustee if permitted by statute and regulation);
 - iii. is not a current Employee of or does not have a substantial financial interest in, and does not have a Relative who is a current Officer of or has a substantial financial interest in, any entity that has made “payments” to, or received “payments” from, The Corporation or an Affiliate of The Corporation for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the lesser of twenty-five thousand dollars (\$25,000) or two percent (2%) of such entity’s consolidated gross revenue. For purposes of this definition the term “payments” does not include charitable contributions, dues or fees paid to The Corporation for services which The Corporation performs as part of its nonprofit purposes, provided that such services are available to individual Members of the public on the same terms; or
 - iv. is not and does not have a relative who is a current owner, whether wholly or partially, Trustee, officer or employee of The Corporation’s outside auditor or who has worked on The Corporation’s audit at any time during the past three (3) years.

For purposes of this definition, the term "payment" does not include charitable contributions, dues or fees paid to The Corporation for services, which The Corporation performs as part of its nonprofit purposes, provided that such services are available to individual Members of the public on the same terms.

7. **Key Employee:** Any person who is in a position to exercise substantial influence over the affairs of The Corporation, or has been in the prior 5 years.

A description of relevant factors is at 26 CFR §53.4958-3(e)(2); this includes persons who have contributed more than \$5,000, if it exceeds 2% of total contributions that year, in any of the five most current tax years.

8. **Member:** Any person afforded rights, entitlements or obligations with respect to the governance and operations of The Corporation, as identified in the By-Laws and/or the Certificate of Incorporation, as may be amended. For instance, if a Membership is authorized to elect Trustees or approve By-Laws changes.

9. **Non-Charitable Corporation:** Any Not-for-Profit Corporation formed, or deemed to be formed, for other than the purposes of a Charitable Corporation, including, but not limited to one formed for any one, or more of the following non-pecuniary purposes: civic, patriotic, political, social, fraternal, athletic, agricultural, horticultural, or animal husbandry, or for the purpose of operating a professional, commercial, industrial, trade or service association, including those formerly considered by the Not-for-Profit Corporation Law to be Type "A" Corporations, as well as former Type "D" with Non-Charitable purposes.

10. **Officer:** Any Trustee, trustee, manager, governor, or by any other title, any individual holding an office of The Corporation identified in the Certificate of Incorporation and/or By-Laws.

11. **Related Party:**

- i. any Trustee, Officer or Key Employee of The Corporation or any Affiliate, or any other person who exercises the powers of Trustees, officers or key employees over the affairs of The Corporation or any affiliate of The Corporation;
- ii. any Relative of any individual described in clause (i); or
- iii. any entity in which any individual described in clauses (i) and (ii) herein has a thirty-five percent (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent (5%).

12. **Related Party Transaction:** Any transaction, agreement or any other arrangement in which a Related Party has a financial interest and in which The Corporation, or any Affiliate, is a participant. The assessment of, and any determination concerning, any Related Party Transaction, must be considered in strict compliance with the adopted policies and procedures of The Corporation.

13. **Relative:** Of individual means his or her spouse, domestic partner, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses or domestic partners of brothers, sisters, children, grandchildren and/or great-grandchildren.

APPENDIX B
Board of Governors Conflicts of Interest and Related Party Transaction Policy

1. Policy Requirements.

Any real or potential “Conflict of Interest” and/or “Related Party Transaction” (each as defined herein) and any other interested matter must be addressed in accordance with the terms of this Board of Governors Conflicts of Interest and Related Party Transactions Policy. Any Conflict of Interest and/or Related Party Transaction, or any other interested matter, authorized in a manner that is materially inconsistent with the terms of this policy may be subsequently rendered void or voidable by a vote of a majority of the Board of Governors, excluding any Trustees with an interest in the subject transaction or matter.

2. Definitions.

- a. Conflict of Interest. Unless otherwise specifically excluded herein, a “Conflict of Interest” means any transaction, agreement or any other arrangement, including, but not limited to a “Related Party Transaction,” as defined herein, between this Corporation and another individual or entity that confers a direct, substantial benefit to any Related Party, as defined herein. The following circumstances shall not be considered a Conflict of Interest for purposes of interpretation of this definition or consideration of a Conflict of Interest by the Board of Governors:
- i. the current, or prior, service of an Officer, Trustee or Key Employee of this Corporation, or a Relative thereof, all as defined herein, as an officer, Trustee, trustee, key employee or partner, or the equivalent thereof, of any corporate entity that is: considered to be an Affiliate, as defined herein; otherwise controlled by, or controls, this Corporation, and/or; an Affiliate of any corporate entity controlled by, or that controls, this Corporation, or;
 - ii. the current, or prior, receipt by an Officer, Trustee or Key Employee of this Corporation, or a Relative thereof, of goods or services offered by this Corporation that are generally made available to other similarly-situated individuals, provided that the recipient does, has not, received any form of preferential treatment as a consequence of his/her relationship with this Corporation.

The assessment of, and any determination concerning any Conflict of Interest must be considered in strict compliance with the adopted policies and procedures of The Corporation.

- b. Related Party Transaction. Unless otherwise specifically excluded herein, a “Related Party Transaction” means any transaction, agreement or any other arrangement in which a Related Party has a financial interest and in which The Corporation, or any Affiliate, is a participant. The following circumstances shall not be considered a Related Party Transaction for purposes of interpretation of this definition or consideration of a Related Party Transaction by the Board of Governors:
- i. the current, or prior, service of an Officer, Trustee or Key Employee of this Corporation, or a Relative thereof, all as defined herein, as an officer, Trustee, trustee, key employee or partner, or the equivalent thereof, of any corporate entity that is considered to be an Affiliate, as defined herein; otherwise controlled by, or controls, this Corporation, and/or; an Affiliate of any corporate entity controlled by, or that controls, this Corporation, or;
 - ii. the current, or prior, receipt by an Officer, Trustee or Key Employee of this Corporation, or a Relative thereof, of goods or services offered by this Corporation that are generally made available to other similarly-situated individuals, provided that the recipient does not, or has not, received any form of preferential treatment as a consequence of his/her relationship with this Corporation.

The assessment of, and any determination concerning, any Related Party Transaction, must be considered in strict compliance with the adopted policies and procedures of The Corporation.

c. Related Party. A "Related Party" means any:

- i. Officer, as defined by statute;
- ii. Trustee, as defined by statute;
- iii. Key Employee, as defined by statute;
- iv. founder of The Corporation;
- v. individual who has made substantial monetary contributions to The Corporation;
- vi. Relative, as defined by statute, of an Officer, Trustee, Key Employee, founder or substantial contributor;
- vii. partnership or professional corporation where an Officer, Trustee or Key Employee, or a Relative thereof, directly or indirectly, has an ownership interest in excess of five percent (5%);
- viii. entity where an Officer, Trustee or Key Employee, or a Relative thereof, directly or indirectly, holds a thirty-five percent (35%), or greater, ownership or beneficial interest; or,
- ix. corporate entity where an Officer, Trustee or Key Employee, or a Relative thereof, serves as an officer, Trustee, trustee, key employee or partner, or the equivalent thereof.

3. General Disclosure.

Prior to initial election, and annually thereafter, each Trustee shall be required to complete, sign and submit to the Secretary, or an authorized designee, as appropriate, a written statement identifying, to the best of the Trustee's knowledge, any entity of which such Trustee is an officer, Trustee, trustee, owner (either as a sole proprietor, partner or Member) or employee and with which The Corporation has a relationship, and any transaction in which The Corporation is a participant and in which the Trustee might have a real or potential interest. The Secretary shall provide a copy of all completed disclosure statements to the Board of Governors, or another authorized committee thereof, as appropriate. A copy of each disclosure statement shall be available to any Trustee on request.

4. Specific Disclosure.

If at any time during his or her term of service, a Trustee, Officer or Key Employee (each as defined by Appendix "A") acquires an interest, or circumstances otherwise arise, which could give rise to a real or potential Conflict of Interest and Related Party Transaction, or any other interested matter, he or she shall promptly disclose, in good-faith, to the Board of Governors, or an authorized committee thereof, as appropriate, the material facts concerning such interest.

5. Process of Review.

The Board of Governors, or another designated Committee of the Board of Governors, shall thoroughly review any real, or potential, Conflict of Interest or Related Party Transaction, or any other interested matter and, if a designated Committee, submit to the Board of Governors a recommendation as whether or not it should be approved.

6. Standard of Review.

For purposes of this policy, amongst the considerations of the Board of Governors, or another authorized Committee of the Board of Governors, as appropriate, relative to assessment of any real or potential Conflict of Interest and/or Related Party Transaction, shall be the determination as to whether any financial interest, amounts to a Conflict of Interest and/or a Related Party Transaction, each as defined herein. Should any such financial interest be considered a Conflict of Interest and/or a Related Party Transaction, the terms of this "Conflict of Interest" and/or "Related Party Transaction Policy" shall apply with regard to proper consideration of the matter. Should the

financial interest not amount to a Conflict of Interest and/or Related Party Transaction, as defined herein, the transaction shall be considered a matter unworthy of additional non-customary review and/or documentation.

7. Authorization of Conflicts of Interest and Related Party Transactions.

The Corporation shall not enter into any matter considered to be a Conflict of Interest and/or a Related Party Transaction, or any other interested matter, unless such a financial transaction, or other matter, is determined by the Board of Governors to be fair, reasonable and in The Corporation's best interest at the time of such determination.

8. Authorization of Transactions Concerning Substantial Financial Interest.

With respect to any Conflict of Interest and/or Related Party Transaction, or other interested matter, in which a Related Party, or otherwise conflicted individual, has a substantial financial interest, the Board of Governors, or another authorized designated Committee of the Board of Governors, as appropriate shall:

- i. prior to entering into any such transaction, or matter, to the extent practicable, consider alternative transactions and/or a review of information compiled from, at least, two (2) independent appraisals of other comparable transactions;
- ii. approve the transaction by not less than a two-thirds (2/3s) majority vote of the Trustees and/or committee Members, as appropriate, present at the meeting; and,
- iii. contemporaneously document the basis for approval by the Board of Governors, or authorized committee, as appropriate, which shall include the preparation of a written report, to be attached to the minutes of any meeting where the transaction or matter was deliberated or authorized, identifying the details of the transaction or matter; alternate transactions considered; materials or other information reviewed, Trustees, or committee Members, present at times of deliberations; names of those who voted in favor, opposed, abstained or were absent; and, the specific action authorized.

9. Restrictions.

With respect to any Conflict of Interest and/or Related Party Transaction, or any other conflicted matter, considered by the Board of Governors, or another authorized designated Committee of the Board of Governors, as appropriate, no Related Party, or otherwise conflicted individual, shall:

- i. be present at, or participate in, any deliberations;
- ii. attempt to influence deliberations; and/or,
- iii. cast a vote on the matter.

Nothing herein shall prohibit the Board of Governors, or authorized committee, as appropriate, from requesting that a Related Party, or otherwise conflicted individual, present information concerning a Conflict of Interest and/or Related Party Transaction, or any other interested matter, at a Board of Governors, or authorized committee thereof, meeting prior to the commencement of deliberations or related voting.

10. Recognized Exceptions.

Although not stipulated in statute, the Charities Bureau of the New York State Office of the Attorney General has advised that a certain transaction that might, by definition, be considered a Conflict of Interest and/or a Related Party Transaction need not necessarily be subject to, otherwise applicable, contemporaneous documentation requirements stipulated herein as a consequence of it being a matter that would not customarily require the action or approval of the Board of Governors. As a consequence of the foregoing, while all other obligations of this policy remain in effect, The Corporation need not contemporaneous document, or disclose for auditing purposes, any of the following:

- i. *de minimis* transactions — transactions being of a small size relative to this Corporation's budget and assets, which would customarily fall below the threshold of review by the Board of Governors;
- ii. ordinary course of business transactions — transactions or activities that are undertaken in the ordinary course of business by staff of this Corporation, as consistent with either past corporate or sector practices;

- iii. mission-focused transactions — transactions involving benefits provided to a Trustee solely as a consequence of his/her Membership in a class of individuals that The Corporation intends to benefit in accomplishing its mission, provided any such transactions are authorized in good-faith, without any undue benefit to the conflicted, or otherwise interested, Trustee, and/or,
- iv. compensation-related transactions — transactions related to compensation, or reimbursement of a Related Party, or otherwise conflicted Trustee, for reasonable expenses incurred on behalf of this Corporation.

Nothing herein shall be interpreted so as to permit or authorize a Related Party, or otherwise conflicted Trustee, to attempt to improperly influence the decision-maker(s) or reviewer(s) in a given Related Party Transaction, or other conflicted matter.

11. Audit-Related Disclosure.

It shall be the duty of the Secretary to see to it that all newly-received and annually-submitted Trustee Disclosure Statements and any case-specific Conflict of Interest and/or Related Party Transaction reports, together the minutes of any related meetings, are promptly provided to the Secretary of the Board of Governors, or the chair an authorized committee thereof, as appropriate, in an effort to assure that they are properly considered for auditing purposes.

APPENDIX C
Annual Potential Conflicts Disclosure Statement

As a Trustee or Officer or Key Employee of The Corporation, prior to your being seated on the Board of Governors or commencing employment with The Corporation, as appropriate, and annually thereafter, you are required to truthfully, completely and accurately disclose all information requested herein and to promptly update all such information as factual circumstances may change from time-to-time.

Please mark 'Yes' or 'No' and provide additional information when requested

Financial Information Return Disclosure

Responses to the following questions are required in order to complete financial information returns annually submitted to the Internal Revenue Service and the Office of the Attorney General.

1. Have you served as an officer, Trustee, trustee, key employee, partner or Member of, or hold a thirty-five percent (35%) or greater ownership or beneficial interest, or in the case of a partnership or professional corporation a direct or indirect ownership interest in excess of five percent (5%), in, an entity, which during the most recently completed, or current, fiscal year, had, or are reasonably anticipated to have, a direct, or indirect, business relationship, with The Corporation?

 If Yes, briefly describe below and attach a detailed explanation
No Yes

2. Have you, individually, or through an entity where you hold a thirty-five percent (35%) or greater ownership or beneficial interest, or in the case of a partnership or professional corporation a direct or indirect ownership interest in excess of five percent (5%), during the most recently completed, or current, fiscal year, had, or are reasonably anticipated to have, a direct, or indirect, business relationship, with any individual who is a current or former "Officer," "Trustee" or "Key Employee" of The Corporation?

 If Yes, briefly describe below and attach a detailed explanation
No Yes

3. Do you have a “Relative” who, during the most recently completed, or current, fiscal year, had, or is reasonably anticipated to have, a direct, or indirect, business relationship with The Corporation?

 No Yes If *Yes*, briefly describe below and attach a detailed explanation

4. Have you, or did you have a “Relative” who, during the most recently completed, or current, fiscal year, had, or is reasonably anticipated to have, any transaction with The Corporation that might reasonably be considered a real or potential conflict of interest pursuant to The Corporation’s Board of Governors Conflicts of Interest Policy, which has not been otherwise disclosed herein?

 No Yes If *Yes*, briefly describe below and attach a detailed explanation

5. Have you been provided with, properly reviewed and reasonably understand the terms of The Corporation’s current written Board of Governors Conflicts of Interest Policy?

 No Yes If **No**, briefly describe below and/or attach a detailed explanation

Independent Trustee Assessment Disclosure

In order to qualify as an “Independent Trustee,” as defined by the New York Not-for-Profit Corporation Law, an Officer or Trustee must respond in the negative to each of the following questions, although failure to respond to all questions in the negative shall not necessarily preclude such an Officer or Trustee from serving on the Board of Governors.

1. Are you currently, or have you been within the last three (3) fiscal years, an employee of The Corporation, or an “Affiliate” of The Corporation?

No Yes If *Yes*, briefly describe below and attach a detailed explanation

2. Do you have a “Relative” who is, or has been within the last three (3) years, a “Key Employee” of The Corporation or an Affiliate of The Corporation?

No Yes If *Yes*, briefly describe below and attach a detailed explanation

3. Have you received, within the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from The Corporation, or an “Affiliate” of The Corporation, other than reimbursement for out-of-pocket expenses?

No Yes If *Yes*, briefly describe below and attach a detailed explanation

4. Do you have a “Relative” who has received, within the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from The Corporation, or an “Affiliate” of The Corporation, other than reimbursement for out-of-pocket expenses?

No Yes If *Yes*, briefly describe below and attach a detailed explanation

APPENDIX D
Indemnification and Insurance Policy

1. Authorized Indemnification.

Unless clearly prohibited by applicable statute, regulation or these By-Laws, the Corporation shall indemnify any person (an "Indemnified Person") made or threatened to be made a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by the Corporation, by reason of the fact that s/he (or her/his Testator or Administrator, if then deceased), whether before or after adoption of this Article: (a) is or was a Governor or Officer of the Corporation, or; (b) is serving or served, in any capacity, at the request of the Corporation, as a Governor 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.

2. Prohibited Indemnification.

The Corporation shall not indemnify any person if a judgment, or other final adjudication, adverse to any Indemnified Person establishes, or the Board of Governors in good faith determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that s/he personally garnered any financial profit or other advantage to which s/he was not legally entitled.

3. Advancement of Expenses.

The Corporation shall, on request of any Indemnified Person who is, or may be, entitled to be indemnified by the Corporation, pay or promptly reimburse an Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a written commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that he/she is not entitled to be indemnified pursuant to statute or these By-Laws. An Indemnified Person shall cooperate with any request by the Corporation that common legal counsel be used by the parties for such action or proceeding who are similarly situated unless it would be inappropriate to do so because of real or potential conflicting interests of the parties.

4. Indemnification of Others.

Unless clearly prohibited by law or these By-Laws, the Board of Governors may approve indemnification by the Corporation, as set forth in Section 1 of this Article, or advancement of expenses as set forth in Section 3 of this Article, to a person (or her/his Testator or Administrator, if then deceased) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Corporation in any capacity for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

5. Determination of Indemnification.

Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court, the Board of Governors shall, upon written request by an Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-Laws. Before indemnification can occur, the Board of Governors must expressly find that such indemnification will not violate the provisions of Section 2 herein. No Governor 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 Governors is not obtainable, the Board of Governors 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.

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.

7. *Insurance.*

The Corporation is required to purchase Governors and Officers (“D and O”) liability insurance coverage. To the extent permitted by law, such insurance shall insure the Corporation for any obligation it incurs as a result of this Article, or operation of law, and it may insure directly the Governors, 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.

8. *Nonexclusive Rights.*

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