

BYLAWS
OF THE
WATERTOWN INDUSTRIAL CENTER
LOCAL DEVELOPMENT CORPORATION

Amended on the following dates:

February 26, 1996

August 15, 2006

June 16, 2009

June 21, 2011

July 23, 2013

Reviewed July 23, 2013

Reviewed June 17, 2014

ARTICLE I

INCORPORATION

This Corporation was incorporated under Section 1411 of the Not-for-Profit Corporation Law of the State of New York by the filing of a Certificate of Incorporation in the Office of the New York State Department of State on June 7, 1994.

ARTICLE II

PURPOSE

As stated in the Certificate of Incorporation, the purpose for which this Corporation was formed is to relieve and reduce unemployment; to promote and provide for additional and maximum employment; to better and to maintain job opportunities; to instruct or train individuals to improve or to develop their capabilities for jobs; to carry on scientific research for the purpose of aiding a community or geographical area by attracting industry and commercial enterprise to the area or by encouraging the development of, or retention of, an industry and commercial enterprise in the area; to lessen the burden of government; and to act in the public interest.

The territory in which the operation of this Corporation is principally to be conducted is Jefferson County and such territory is in proximity to those counties in which the use of the Corporation's funds will have a substantial, positive impact on the economic welfare and prosperity of the aforementioned counties and their inhabitants.

ARTICLE III

MEMBERSHIP

Section 1. Qualifications. Any public or private organization or private individual interested in potential economic development programs in Jefferson County, New York, generally may become a member of this Corporation which shall be a membership Corporation.

ARTICLE III - Continued

Section 2. Election of Members. A public or private organization or private individual may be elected a member upon invitation by the Corporation or the Board of Directors.

Section 3. New Member Approval. Any new member, being any member in addition to those members listed in Section 6 of this Article III, must be approved by a majority vote of the Board of Directors. Each member will receive one seat on the Board of Directors.

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

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

Section 6. Membership Committee. The members of the Corporation shall be appointed one member each of the following:

- a) Jefferson County Industrial Development Agency;
- b) City of Watertown, New York;
- c) County of Jefferson, New York;
- d) New York Air Brake Corporation;
- e) Watertown Local Development Corporation;
- f) Development Authority of the North Country;
- g)

Section 7. Rights of Members. Property Rights. No member of the Corporation shall have any right or interest in or to the property or assets of the Corporation. All property and assets of the Corporation shall be solely subject to the direction, control of, and expenditure by the Board of Directors. Should the Corporation be liquidated or dissolved or otherwise cease business, the property and assets of the Corporation shall be distributed for the Corporate purpose as provided in the Certificate of Incorporation in accordance with the direction of a majority of the then qualified and acting Directors present at any meeting duly called for such purpose and without other affirmative action by the members.

ARTICLE IV

DIRECTORS

Section 1. Board of Directors. The Board of Directors shall consist of the whole membership of the Corporation. All power and authority of the Corporation shall be vested in the Board of Directors.

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

Section 3. Notice of Meetings. Notice of the annual or of special meetings shall be deemed sufficient if deposited in the mail or sent electronically not less than ten (10) days before the meeting.

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

Section 5. Quorum. A majority of the whole membership in person or by proxy shall constitute a quorum for the transaction of business.

Section 6. Proxies. Every member of the Corporation is entitled to vote at any meeting therefore may vote in proxy. A proxy shall be in writing and revocable at the pleasure of the member executing it. Unless the duration of the proxy is specified, it shall be invalid after eleven (11) months from the date of its execution.

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

- A. Call to Order
- B. Pledge of Allegiance
- C. Approval of Minutes
- D. Treasurer's Report
- E. Correspondence
- F. Committee Reports
- G. Unfinished Business
- H. New Business
- I. Adjournment

Any question as to priority of business shall be decided by the chair. This order of business may be altered or suspended at any meeting by a majority vote of members present.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer.

Section 2. PRESIDENT. The President shall preside at all meetings of the Corporation. Except as otherwise authorized by resolution of the Corporation the President shall sign all agreements, contracts, deeds, and any other instruments of the Corporation. At each meeting, the President shall submit such recommendations and information as he/she may consider proper concerning the business, affairs, and policies of the Corporation.

Section 3. VICE PRESIDENT. The Vice President shall perform the duties of the President in the absence or incapacity of the President; and in case of the resignation or death of the President, the Vice President shall perform such duties as are imposed on the President until such time as the Corporation shall appoint a new President.

Section 4. SECRETARY. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors; shall give and serve all notices required by law or by these Bylaws; shall be the custodian of the records of the Corporation; shall report on all correspondence and communications at meetings of the members and of the Board of Directors.

Section 5. TREASURER. The Treasurer shall oversee the care and custody of all funds of the Corporation. The Treasurer shall sign all instruments of indebtedness, all orders, and all checks for the direction of the Corporation. Except as otherwise authorized by resolution of the Corporation, all such instruments of indebtedness, orders and checks shall be counter-signed by the President and/or authorized board designee. He/she shall oversee with the Chief Financial Officer regular books of accounts showing receipts and expenditures, and shall render to the Corporation at each regular meeting an account of his/her transactions and also of the financial condition of the Corporation. He/she shall give such bond for the faithful performance of his duties as the Corporation may determine.

Section 6. ADDITIONAL DUTIES. The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation, by the Bylaws of the Corporation, or by the rules and regulations of the Corporation.

Section 7. APPOINTMENT OF OFFICERS. All officers of the Corporation are appointed by the Board of Directors as recommended by the Nominating Committee. All officers shall hold office for one year or until successors are appointed.

Section 8. Surety Bond. Any officer or employee shall, if required by the Board of Directors, give to the Corporation such security for the faithful discharge of his duties, as the Board may require.

ARTICLE V – Continued

Section 9. Salaries. No director or officer of the Corporation shall receive directly or indirectly, salary, compensation, or emolument from the Corporation, either as an officer or director, or in any other capacity.

Section 10. PAAA. Every director shall abide by the requirements of the Public Authority Accountability Act of 2005 including but not limited to submitting annual financial disclosure statements and attending required training.

Section 11. PARA. Every director shall abide by the requirements of the Public Authority Reform Act of 2009 as may be amended.

ARTICLE VI

COMMITTEES

Section 1. Governance Committee: The Board of Directors must elect a Governance Committee to (a) keep the Board informed of current best governance practices, (b) review corporate governance trends, (c) update the corporate governance principles, and (d) advise appointing experts and authorities on the skills and experiences required of potential new Board members. The Governance Committee shall be comprised of at least three board members that are well versed in these areas of Corporate Governance or be willing to take annual continuing education courses in this area.

Section 2. Audit and Finance: The Board of Directors must elect a Audit Committee to (a) recommend to the Board of Directors the hiring of a CPA firm to conduct the annual independent audit (b) determine the amount of compensation to be paid to the CPA firm, and (c) provide direct oversight of the performance of the annual independent audit. The Audit Committee shall be comprised of at least three board members. The Finance Committee shall be appointed by the President and approved by the Board of Directors. It will review the Corporation's budgets, proposals and contracts. The Committee shall be composed of no less than three and no more than five members.

Section 3. Facility Committee: The Facility Committee shall be appointed by the President and approved by the Board of Directors. The committee will be responsible for the; Development of Policies for leasing and lease administration, exit and eviction procedures, rent collection and leasehold improvement; design and implementation of marketing strategies for the facilities; insure that each tenant compiles with the parameters set forth in the donation and development agreement, the tenant lease agreements, and the restrictive use agreement. The Facility Committee shall be comprised of at least three board members.

Section 4. Loan Review Committee: The Loan Review Committee shall be appointed by the President and approved by the Board of Directors. The purpose of the Loan Review Committee is to follow the adopted Lending Policy to review applications and business plans and make

recommendations to the Board of Directors. The Loan Review Committee shall be comprised of three board members.

ARTICLE VI – Continued

Section 6. Other Committees: The Board of Directors may establish other Committees as they may from time to time desire, giving into such committee's specific objectives and powers not contrary to law, the Certificate of Incorporation, or these Bylaws. These committees' members shall be appointed by the President and approved by the Board of Directors.

ARTICLE VII

MEETING BY COMMUNICATION EQUIPMENT

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

ARTICLE VIII

AMENDMENTS

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

INDEMNIFICATION

Section 1. Authorized Indemnification. Unless clearly prohibited by law or Section 2 of this Article, the Corporation shall indemnify, defend and hold harmless any person ("Indemnified Person") made, or threatened to be made, a party in any action or proceeding, whether civil or administrative, investigative or otherwise, including any action by or in the right of the Corporation, by reason that he or she, whether before or after adoption of this Section, (a) is or was a Member or officer of the Corporation, or (b) is serving or served, in any capacity, at the request of the Corporation, as a Member or officer of any affiliate of the Corporation. The indemnification shall include, but shall not be limited to, 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 Members in good faith determine, 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 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. An Indemnified Person shall cooperate in good faith with any request by the Corporation that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts among the interests of the parties.

Section 4. Indemnification of Others. Unless clearly prohibited by law or Section 2 of this Article, the Corporation may approve indemnification as set forth in this Article for 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, as the result of such employment or volunteer activity.

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 Members 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 Members must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article. No Member 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 Members is not obtainable, the Members 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 Members' and officers' liability insurance, but the Corporation may purchase such insurance if authorized and approved by the Members. 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 Members, 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.