

**BYLAWS
OF
THE LAKE GEORGE ASSOCIATION, INC.**

A CORPORATION GOVERNED BY THE
NOT-FOR-PROFIT CORPORATION LAW OF NEW YORK

Adopted July 23, 2021

ARTICLE I.

MEMBERS

Section 1. Members. The Lake George Association, Inc. (the “Corporation”), being a Type B not-for-profit corporation as defined in section 201 of the New York Not-for-Profit Corporation Law, shall have non-voting Members.

The Members shall be eligible to serve on the Board of Directors, Committees of the Corporation, Special Advisors to the Corporation and otherwise volunteer services to the Corporation. All persons eighteen (18) years of age or older who are supportive of the purposes of the Association shall be eligible for membership.

There shall be such categories of membership as the Board shall establish. Changes in designated membership categories shall be announced in the Association's newsletter or other mailing to the members. Any category of family membership may include up to two adults 18 years of age or older living in the household.

ARTICLE II.

BOARD OF DIRECTORS

Section 1. Management of Corporate Affairs. Except as otherwise provided by law, the Certificate of Incorporation of the Corporation or these Bylaws, the activities, property and affairs of the Corporation shall be managed by the President under the direction of the Board of Directors.

Section 2. Number and Qualifications. The Board of Directors shall consist of not less than eleven (11) nor more than twenty-three (23) persons, who shall be elected by the vote of the Directors then in office at a regularly scheduled board meeting of the Directors. The Directors may change the number of Directors of the Corporation by a vote of the majority of the entire Board, but the number of Directors constituting the entire board shall at no time be less than eleven (11). No decrease in the number of Directors shall shorten the term of any incumbent Director. All of the Directors shall be at least twenty-one (21) years of age and shall be Members of the Corporation.

Section 3. Changes of Directors Election and Term of Office. Each Director shall be elected by a two-thirds (2/3) vote of the Board of Directors at a regularly scheduled meeting thereof, notice of which shall have been given referring to the proposed election. The term of office for each Director shall be three (3) years. At the end of a term, a Director may request to serve an additional three (3) year term; provided, however, a Director shall not serve more than three (3) consecutive three (3) year terms. All requests by Directors to serve additional terms shall be made to the Governance and Nominating Committee, which shall make a recommendation to the full Board at to the next regularly scheduled Board meeting at which notice of the election shall be duly noticed.

Section 4. Resignation. Any Director of Corporation may resign at any time by giving his or her resignation to the Chair or the Secretary. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Removal. Any Director may be removed with or without cause by the affirmative vote of a majority of the Board of Directors at any meeting of the Board, notice of which shall include specific reference to the proposed action.

Section 6. Contracts with Corporation. No member of the Board shall be interested, directly or indirectly, in any contract relating to the operations of the Corporation, nor in any contract for furnishing supplies thereto, unless authorized by the concurring vote of a majority of the entire Board not including the vote(s) of the interested Director(s). In furtherance of this requirement, the Board of Directors has adopted a Conflicts of Interest/Related Party Transaction Policy, a copy of which is annexed to these Bylaws as Appendix “A.” Appendix “A” includes the policy, a questionnaire, and definitions applicable to the questionnaire. Prior to being elected to the Board and annually thereafter, each member of the Board shall complete and submit to the Secretary a completed questionnaire. Any conflicts of interest or related party transactions identified through the questionnaire shall be reviewed by the Secretary and the Board, subject to the procedures and standards set forth in the Conflicts of Interest/Related Party Policy.

Section 7. Compensation. No Director of the Corporation shall receive directly or indirectly, salary, compensation or emolument from the Corporation, except reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation.

Section 8. Special Advisors. From time to time, the Board of Directors may designate as special advisors a chosen number of outstanding persons from the

community who are interested in the objectives of the Corporation to assist the Corporation in its operations. Selection as a special advisor shall not confer upon those selected any right to vote or to participate in the management of the Corporation, nor any liability with respect thereto.

Section 9. Emeritus Board. In order to bestow and honor upon select individuals, the Board of Directors may establish a Lake George Association Emeritus Board to support the mission and programs of the Association. Membership on the Emeritus Board shall be restricted to retired or past members of the Association's Board of Directors or Advisory Board who have provided distinguished service to the Association over a sustained period of time. Any member of the Board of Directors or the President may nominate individuals for membership on the Emeritus Board. Nominations will be reviewed by the Governance and Nominating Committee and presented to the full Board for approval by the Board of Directors.

Emeritus Board Members will serve for a term of three (3) years which may be extended by action of the Board of Directors. Emeritus Board members will not be voting members of the Board of Directors but may attend regular Board meetings at the discretion of the Chair. The responsibilities of the Emeritus Board members will be to:

- A. Serve as advocates for the Corporation and its programs;
- B. Assist in identifying others whose interest and support are important to the Association; and
- C. Assist and advise the Board of Directors where requested by the Chair and where appropriate.

ARTICLE III

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors of the Corporation, for the transaction of such business as may be set forth in the notice of the meeting shall be held each year at such times and places as shall be determined by the Board of Directors and the notice of meeting shall specify.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chair, the Vice Chair or the Secretary, and must be called by such officers on written request by four (4) Directors. Such request shall state the purpose or purposes for which the meeting is to be called. Each special meeting of the Board of Directors shall be held at such time and place as the person calling the meeting shall determine and the notice of the meeting shall specify.

Section 3. Annual Meetings. The annual meeting of the Corporation and the Board of Directors shall be the regular meeting held at such time as the Board of Directors shall designate.

Section 4. Notice of Meetings. Notice of each regular or special meeting of the Board of Directors stating the time and place thereof shall be given by the Chair or the Secretary to each member of the Board not less than five (5) days before the meeting, by mailing the notice, postage prepaid, addressed to each member of the Board at his or her residence or usual place of business, or not less than two (2) days before the meeting, by delivering the notice to each member of the Board personally, by telephone, or electronic means.

Section 5. Quorum and Action by the Board. At all meetings of the Board of Directors, except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, a quorum shall be required for the transaction of business and shall consist of

not less than one-third (1/3) of the entire Board, and the vote of a majority of the Directors present shall decide any question that may come before the meeting. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time or place without notice other than announcement at the meeting of the time and place to which the meeting is adjourned.

Section 6. Procedure. The order of business and all other matters of procedure at every meeting of the Directors may be determined by the person presiding at the meeting.

Section 7. Action Without a Meeting. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

Section 8. Presence at Meeting by Telephone or by Electronic Means. Members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment, including participation through the Internet, allowing all persons participating in the meeting to hear each other at the same time. Participation in a meeting by such means shall constitute presence in person at the meeting.

ARTICLE IV

COMMITTEES OF DIRECTORS

Section 1. Designation of Committees. The Board of Directors, by resolution or resolutions adopted by a majority of the entire Board, may designate from among its members an Executive Committee and other committees, each consisting of three or more Directors with one Director being designated as the committee Chair, and may designate one or more Directors as alternate members of any such committee who may replace any absent member or members at any meeting of such committee. In the interim between meetings of the Board of Directors, the Executive Committee shall have all the authority of the Board of Directors except as otherwise provided by law and shall serve at the pleasure of the Board of Directors. Each other committee designated shall have such name as may be provided from time to time in the resolution or resolutions of the Board of Directors, shall serve at the pleasure of the Board of Directors and shall have such authority as provided in such resolution or resolutions.

Section 2. Meeting of Committees. Committees of Directors shall meet at such times and places and the chairs of the committees shall determine and the notice of the meeting shall specify. Meetings of committees of Directors shall be governed by the provisions of Sections 4, 5, 6, 7, and 8 of Article III of these Bylaws, which govern meetings of the entire Board of Directors.

Section 3. Executive Committee. There shall be an Executive Committee comprised of the Officers and such other Members of the Board of Directors as shall be designated by the Board of Directors from time to time. All acts done by and power and authority conferred to the Executive Committee from time to time within the scope of its authority shall be, and may be deemed to be, and may be specified as being, an act under the authority of the Board of Directors. The Executive Committee and each other committee shall keep regular minutes of its proceedings and report its actions to the Board of Directors when required.

Section 4. Finance and Audit Committee. There shall be a Finance and Audit Committee consisting of “Independent Directors.” In addition to other functions, it shall be the responsibility of the Finance and Audit Committee to oversee all audits conducted on behalf of the Corporation. All such audits shall be conducted in accordance with the Audit Oversight Policy, a copy of which is annexed to these Bylaws as Appendix “B.”

Section 5. Governance and Nomination Committee. There shall be a Governance and Nomination Committee to make recommendations to the Board concerning corporate governance issues and the nomination of Members of the Board, the continuation of Members of the Board for an additional term of office, and the nomination and continuance of Emeritus Board Members.

Section 6. Membership and Fundraising Committee. There shall be a Membership and Fundraising Committee to coordinate the activities of the Corporation with the Members and to develop and implement fundraising strategies.

ARTICLE V

OFFICERS

Section 1. Officers. The Board of Directors shall annually, At the annual meeting of the Board following the annual meeting of the Corporation, appoint or elect a Chair, a Vice Chair, a Secretary, and a Treasurer who shall be chosen from among the Directors who shall be members of the Executive Committee. The Board of Directors may from time to time elect or appoint such additional officers as it may determine. Such additional officers shall have such authority and perform such duties as the Board of Directors may from time to time prescribe.

Section 2. Term of Office. The Chair, the Vice Chair, the Secretary, and Treasurer shall, unless otherwise determined by the Board of Directors, hold office for a term of three (3) years and until their successors have been elected or appointed and qualified. Any officer, however, may be removed or have his or her authority suspended by the Board of Directors at any time, with or without cause. If the office of any officer becomes vacant for any reason, the Board of Directors shall have the power to fill such vacancy.

Section 3. Resignation. Any officer may resign at any time by notifying the Board of Directors, the Chair, the Vice Chair or the Secretary of the Corporation in writing. Such resignation shall take effect at the time specified therein and unless otherwise specified in such resignation, the acceptance thereof shall not be necessary to make it effective.

Section 4. Duties of Officers May be Delegated. In case of the absence or disability of an officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board, except where otherwise provided by law, may delegate, for the time being, the powers or duties of any other officer, or to any member of the Board.

Section 5. The Chair. The Chair shall be the Chief Executive and administrative officer of the Corporation and shall have the general powers and duties of supervision and management of the Corporation and shall perform all such other duties as usually pertain to the office or are properly required by the Board of Directors. The Chair shall preside at all meetings of the Board of Directors and the Executive Committee.

Section 6. The Vice Chair. The Vice Chair shall, in the absence or disability of the Chair, or at the request of the Chair, perform duties and exercise the powers of the Chair. The Vice Chair also shall have such powers and perform such duties as usually pertain to his or her office or are properly required by the Board of Directors.

Section 7. The Secretary. The Secretary shall issue notice of all meetings of Directors and members where notices of such meetings are required by law or these Bylaws. The Secretary shall attend all meetings of the Board of Directors and keep the minutes thereof. The Secretary shall affix the corporate seal to and sign such instruments as require the seal or the Secretary's signature and shall perform such other duties as usually pertain to the office or are properly required by the Board of Directors.

Section 8. The Treasurer. The Treasurer shall have the care and custody of all the moneys and securities of the Corporation. The Treasurer shall cause to be entered in the books of the Corporation to be kept for that purpose full and accurate accounts of all moneys received and paid on account of the corporation. The Treasurer shall make and sign such reports, statements and instruments as may be required by the Board of Directors or by the laws of the United States or of any state or country and shall perform such other duties as usually pertain to the office or as properly required of the Treasurer by the Board of Directors.

Section 9. Officers Holding Two or More Offices. Any two (2) or more offices, except those of Chair and Secretary, may be held by the same person, but no officer shall execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two or more officers.

Section 10. Compensation. No officer of the Corporation shall receive, directly or indirectly, salary, compensation or emolument from the Corporation, except reimbursements of expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right of Indemnification. Each Director and officer of the Corporation, whether or not then in office, and any person whose testator or intestate was such a Director or officer, shall be indemnified by the Corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or investigative, in accordance with and to the fullest extent permitted by the Not-for-Profit Corporation Law of the State of New York or other applicable law, as such law now exists or may hereafter be adopted or amended; provided, however, that the Corporation shall provide indemnification in connection with an action or proceeding (or part thereof) initiated by such a Director or officer only if such action or proceeding (or part thereof) was authorized by the Board of Directors. In order to defray the potential cost of the indemnification obligations provided herein, the Corporation may obtain Directors and Officers liability insurance consistent with policies that are commercially available.

Section 2. Advancement of Expenses. Expenses incurred by a Director or officer in connection with any action or proceeding as to which indemnification may be given under Section 1 of this Article VI may be paid by the Corporation in advance of the final disposition of such action or proceeding upon (a) the receipt of an undertaking by or on behalf of such Director or officer to repay such advancement in case such Director or officer is ultimately found not to be entitled to indemnification as authorized by this Article VI and (b) approval by the Board of Directors acting by a quorum is not obtainable, then by vote of a majority of the entire Board of Directors. To the extent

permitted by law, the Board of Directors shall not be required to find that the Director or officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding before the Corporation makes any advance payment of expenses hereunder.

Section 3. Availability and Interpretation. To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article VI, (a) shall be available with respect to events occurring prior to the adoption of the Article VI, (b) shall continue to exist after any rescission or restrictive amendment of this Article VI with respect to events occurring prior to such rescission or amendment, (c) shall be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding or, at the sole discretion of the Director or officer (or, if applicable, at the sole discretion of the testator or intestate of such Director or officer seeking such rights), on the basis of applicable law in effect at the time such rights are claimed and, (d) shall be in the nature of contract rights that may be enforced in any court of competent jurisdiction as if the Corporation and the Director or officer for whom such rights are sought were parties to separate written agreement.

Section 4. Other Rights. The rights of indemnification and to the advancement of expenses provided in this Article VI shall not be deemed exclusive of any other right to which any Director or officer of the Corporation or other person may now or hereafter be otherwise entitled, whether contained in the certificate of incorporation, these Bylaws, a resolution of the Board of Directors or an agreement providing for such indemnification, the creation of such larger rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in this article VI shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any Director or officer of the Corporation or other person in any action or proceeding to have assessed or allowed in

his or her favor, against the Corporation or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

Section 5. Severability. If this Article VI or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable. Any payments made pursuant to this Article IV shall be made only out of funds legally available therefore.

ARTICLE VII

CORPORATE FINANCE

Section 1. Corporate Funds. The funds of the Corporation shall be deposited in its name with such banks, trust companies or other depositories as the Board of Directors may from time to time designate. All checks, notes, drafts and other negotiable instruments of the Corporation shall be signed by such officer or officers, agent or agents, employee or employees as the Board of Directors from time to time may designate. No officers, agents or employees of the Corporation, alone or with others, shall have the power to make any checks, notes, drafts or other negotiable instruments in the name of the Corporation or to bind the Corporation thereby, except as provided in this section.

Section 2. Fiscal Year. The fiscal year of the Corporation shall be the calendar year unless otherwise provided by the Board of Directors.

Section 3. Loans to Directors and Officers. No loans shall be made by the Corporation to its Directors and officers.

Section 4. Gifts. The Board of Directors, the Executive Committee or any officer of the Corporation so authorized may accept on behalf of the Corporation any

contribution, gift, bequest or devise for any general or special purposes of the Corporation.

Section 5. Voting of Securities Held by the Corporation. Stocks or other securities owned by the Corporation may be voted in person or by proxy as the Board of Directors or the Executive Committee shall specify. In the absence of any direction by the Board of Directors or Executive Committee, such stocks or securities shall be voted by the Chair as he or she shall determine.

Section 6. Income from Corporation Activities. All income from activities of the Corporation shall be applied to the maintenance, expansion or operation of lawful activities of the Corporation.

ARTICLE VIII

CORPORATE SEAL

Section 1. Form of Seal. The seal of the Corporation shall be in such form as may be determined from time to time by the Board of Directors.

ARTICLE IX

AMENDMENTS

Section 1. Procedure for Amending the Bylaws. Bylaws of the Corporation may be adopted, amended or repealed at any meeting of the Board of Directors, notice of which shall have included specification of the proposed action, by the vote of two-thirds (2/3) of the entire Board of Directors; provided, however, that if any Bylaw regulating an impending election of Directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of the Corporation

for the election of Directors by the Bylaw adopted, amended or repealed, together with concise statement of the changes made.

Appendix "A"

Conflicts of Interest/Related Party Transactions 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 Directors 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 Directors, excluding any Directors 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 Directors:

- i. the current, or prior, service of an Officer, Director or Key Employee of this Corporation, or a Relative (as defined in Appendix "A") thereof, all as defined herein, as an officer, director, Director, key employee or partner, or the equivalent thereof, of any corporate entity that is: considered to be an Affiliate (as defined in Appendix "A"); 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, Director 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 Directors:

- i. the current, or prior, service of an Officer, Director or Key Employee of this Corporation, or a Relative thereof, all as defined herein, as an officer, director, Director, 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, Director 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. Director, as defined by statute;
 - iii. Key Employee means any person who is or has been in a position to exercise substantial influence over the affairs of the Corporation;
 - iv. other person who exercises the powers of entities listed in ‘i’ through ‘iii’ above, over the affairs of the Corporation;
 - v. founder of the Corporation;
 - vi. individual who has made substantial monetary contributions to the Corporation;
 - vii. Relative, as defined by statute, of an Officer, Director, Key Employee, founder or substantial contributor;
 - viii. partnership or professional corporation where an Officer, Director or Key Employee, or a Relative thereof, directly or indirectly, has an ownership interest in excess of five percent (5%);
 - ix. entity where an Officer, Director or Key Employee, or a Relative thereof, directly or indirectly, holds a thirty-five percent (35%), or greater, ownership or beneficial interest;
 - x. corporate entity where an Officer, Director or Key Employee, or a Relative thereof, serves as an officer, director, Director, key employee or partner, or the equivalent thereof; or,
 - xi. outside auditor where an Officer, Director or Key Employee, or a Relative thereof, is a current owner (wholly or partially), director, officer or employee or who, otherwise, worked on the Corporation's audit at any time during the past three (3)-fiscal years.

3. General Disclosure.

Prior to initial election, and annually thereafter, each Director 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 Director's knowledge, any entity of which such Director is an officer, director, Director, 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 Director might have a real or potential interest. The Secretary shall provide a copy of all completed disclosure statements to the Board of Directors, or another authorized committee thereof, as appropriate. A copy of each disclosure statement shall be available to any Director on request.

4. Specific Disclosure.

If at any time during his or her term of service, a Director, Officer or Key Employee 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 Directors, or an authorized committee thereof, as appropriate, the material facts concerning such interest.

5. Process of Review.

Following review by the Secretary, the Board of Directors shall thoroughly review any real, or potential, Conflict of Interest or Related Party Transaction and make a determination concerning any such perceived Conflict of Interest or Related Party Transaction.

6. Standard of Review.

For purposes of this policy, the Board of Directors shall consider relative to the assessment of any real or potential Conflict of Interest and/or Related Party Transaction 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 & 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 to be fair, reasonable and in the Corporation's best interest at the time of such determination. Any such transactions shall be authorized by no less than a two-thirds majority vote of non-Interested Directors. For purposes of this policy, Directors who are present at a meeting where a Conflict of Interest and/or a Related Party Transaction is being considered, but is not present at the time of a vote due to his/her interest in the Conflict of Interest or Related Party Transaction, shall be determined to be present at the time of the vote.

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 Directors 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 majority vote of the Directors and/or committee members, as appropriate, present at the meeting; and,
- iii. contemporaneously document the basis for approval by the Board, 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, Directors, 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, 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 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 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 transactions 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 provided herein as a consequence of it being a matter that would not customarily require the action or approval of the Board of Directors. As a consequence of the foregoing, while all other obligations of this policy remain in effect, the Corporation need not contemporaneously 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 Directors;
- 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 Director 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, Director, and/or,
- iv. compensation-related transactions — transactions related to compensation, or reimbursement of a Related Party, or otherwise conflicted Director, 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 Director, to attempt to improperly influence the decision-maker(s) or reviewer(s) in a given Related Party Transaction, or other conflicted matter.

II. Audit Related Disclosure.

It shall be the duty of the Secretary to see to it that all newly received and annually submitted Director 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 Board in an effort to assure that they are properly considered for auditing purposes.

Appendix "A"

Conflicts Disclosure Statement

As a "Director," "Director," "Officer" or "Key Employee" (each as defined in the attached Definitions), prior to being seated on the Board of Directors 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 been provided with, properly reviewed and reasonably understand the terms of the Corporation's current written Board of Directors Conflicts of Interest Policy?

No Yes If No, please provide a detailed explanation of the circumstances:

2. Have you served as an "Officer," "Director" "Director," "Key Employee," partner or member of, or hold a thirty-five percent (35%) or greater ownership, or beneficial interest, in, or in the case of a partnership or professional corporation, a direct or indirect ownership interest in, excess of five percent (5%), an entity, which 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, please provide a detailed explanation of the circumstances:

3. Have you, individually, or through an entity where you hold a thirty-five percent (35%) or greater ownership, or beneficial interest, in, 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, that had, or is reasonably anticipated to have, a direct, or indirect, business relationship, with any individual who is a current, or former, “Director,” “Officer,” “Director” or “Key Employee” of the Corporation?

No Yes If Yes, please provide a detailed explanation of the circumstances:

4. Do you have a “Relative” (as defined by statute and in the attached Definitions) 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, please provide a detailed explanation of the circumstances:

5. 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 Directors Conflicts of Interest Policy, which has not been otherwise disclosed herein?

No Yes If Yes, please provide a detailed explanation of the circumstances:

Independent Director Assessment Disclosure

In order to qualify as an “Independent Director,” as defined by the New York Not-for-Profit Corporation Law, a Director, Officer or Director 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 Director from serving on the Board of Directors.

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

No Yes If Yes, please provide a detailed explanation of the circumstances:

2. Do you have a “Relative” (as defined by statute and in the attached Definitions) who is, or has been within the last three (3) years, a “Key Employee” (as defined by statute and in the attached Definitions) of the Corporation or an “Affiliate” of the Corporation?

No Yes If Yes, please provide a detailed explanation of the circumstances:

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, please provide a detailed explanation of the circumstances:

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, please provide a detailed explanation of the circumstances:

5. Are you a current officer or employee of, or do you have 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, within 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? Note: for purposes of this question, the definition the term “payments” does not include charitable contributions or 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.

No Yes If Yes, please provide a detailed explanation of the circumstances:

6. Do you have a “Relative” who is a current officer or employee of, or has a substantial financial interest in, any entity that has made “payments” to, or received “payments” from, the Corporation or an “Affiliate,” for property or services in an amount which, within 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? Note: for purposes of this question, the definition the term “payments” does not include charitable contributions or 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.

No Yes If Yes, please provide a detailed explanation of the circumstances:

7. Are you a current owner (wholly or partially), director, officer or employee of the Corporation's outside auditor or have you, otherwise, worked on the Corporation's audit at any time during the past three (3) fiscal years?

No Yes If Yes, please provide a detailed explanation of the circumstances:

8. Do you have a “Relative” who is a current owner (wholly or partially), director, officer or employee of the Corporation's outside auditor or who has, otherwise, worked on the Corporation's audit at any time during the past three (3) fiscal years?

No Yes If Yes, please provide a detailed explanation of the circumstances:

—Certification—

I, the undersigned, certify that I have read and understand this Annual Conflicts Disclosure Statement. I agree that my actions will comply with the disclosures found in this document. I further affirm that neither I, as a Related Party nor any Relative have, or had, an interest, or has taken any action, that contravenes, or is likely to contravene, the Conflicts of Interests and Related Party Transaction Policy of the Corporation or, otherwise impedes my ability to act as a fiduciary and in the best interests of the Corporation, except those that may have been disclosed herein.

Director Signature: _____ Date: _____

Appendix "A"

Conflicts of Interest Questionnaire Definitions

1. **Affiliate**- means any entity controlled by, or in control of, the Corporation.
2. **Director**- means any member of the governing board of the Corporation, whether designated as director, Director, manager, governor, or by any other title.
3. **Entire Board** - means the total number of Directors duly elected to serve as Directors whose terms have not yet expired.
4. **Independent Auditor**- means 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, Director, Employee or Volunteer of the Corporation or has a Relative who is such an individual.
5. **Independent Director**- means a Director who:
 - a. is not, and has not been within the last three (3) years, an Employee 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;
 - b. 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 Director or reasonable compensation for service as a Director if permitted by statute and regulation;
 - c. 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 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;

- d. is not and does not have a relative who is a current owner, whether wholly or partially, director, 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; and
 - e. 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.
6. **Key Employee-** means 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, such as Directors or Officers.
7. **Officer-** means any director, Director, 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.
8. **Related Party-** means:
- a. any Director, Officer or Key Employee of the Corporation, or any other person who exercises the powers of directors, officers or key employees over the affairs of the corporation or any affiliate of the corporation;
 - b. any Relative of any individual described in clause (a); or
 - c. any entity in which any individual described in clauses (a) and (b) 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%).

9. **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 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.
10. **Relative-** of an 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”
Audit Oversight Policy

1. Auditing.

If required by statute, regulation or contract, if deemed necessary and practicable by the Board of Directors, or if mandated by any empowered governmental agency, the accounts of the Corporation shall be subject to an annual audit report or audit review report prepared by an independent Certified Public Accountant, an “Independent Auditor”. Once retained, neither the Independent Auditor, nor or a partner, associate or employee of the Independent Auditor’s firm or practice; or, a “Relative” (as defined in Appendix “A”), or a partner, associate or employee of a Relative’s firm or practice, shall perform any assistance to the Corporation other than that directly related to auditing functions.

2. Required Duties.

Should statute, regulation or contract require the Corporation to file an audit report or audit review report prepared by an independent Certified Public Accountant, the Finance and Audit Committee, comprised solely of “Independent Directors,” shall perform the following duties:

- i. Oversee the accounting and financial reporting processes of the Corporation and the audit of the Corporation's financial statements;
- ii. Annually retain or renew the retention of an Independent Auditor to conduct the audit and, upon completion thereof, review the results of the audit and any related management letter with the Independent Auditor, and
- iii. Report on such activities to the Board of Directors.

3. Additional Revenue-Imposed Duties.

Should the Corporation be required by law to file an audit report prepared by an Independent Auditor, the Finance and Audit Committee shall also be required to perform the following duties:

- i. review with the Independent Auditor the scope and planning of the audit prior to the audit's commencement;
- ii. upon completion of the audit, review and discuss with the Independent Auditor:
 - a) any material risks and weaknesses in internal controls identified by the Independent Auditor;
 - b) any restrictions on the scope of the Independent Auditor's activities or access to requested information;
 - c) any significant disagreements between the Independent Auditor and management of the Corporation; and,
 - d) the adequacy of the Corporation's accounting and financial reporting processes;
- iii. annually consider the performance and independence of the Independent Auditor; and,
- iv. report on the Committee's activities to the Board of Directors.

4. Restrictions.

Only Independent Directors may participate in any Board or designated Committee deliberations or voting relating to matters set forth in this Policy, provided that nothing in this policy shall prohibit the Board or designated Committee from requesting that a person with an interest in the matter present information as background or answer questions at a Board or designated Committee meeting prior to the commencement of deliberations or voting relating thereto.

5. Definitions.

For the purposes of this Audit Policy and other requirements of the Bylaws of the Corporation that utilize the same terms defined herein, the following terms shall be defined as follows:

- A. **Director-** means any member of the governing board of the Corporation, whether designated as director, Director, manager, governor, or by any other title.
- B. **Entire Board** - means the total number of Directors duly elected to serve as Directors whose terms have not yet expired.
- C. **Independent Auditor-** means 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, Director, Employee or Volunteer of the Corporation or has a Relative who is such an individual.
- D. **Independent Director-** means a Director who:
 - a. is not, and has not been within the last three (3) years, an Employee 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;
 - b. 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 Director or reasonable compensation for service as a Director if permitted by statute and regulation);
 - c. 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 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;

- d. is not and does not have a relative who is a current owner, whether wholly or partially, director, 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; and
 - e. 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.
- E. **Key Employee-** means 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, such as Directors or Officers.
- F. **Officer-** means any director, Director, 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.
- G. **Related Party-** means:
- a. any Director, Officer or Key Employee of the Corporation, or any other person who exercises the powers of directors, officers or key employees over the affairs of the corporation or any affiliate of the corporation;
 - b. any Relative of any individual described in clause (a); or
 - c. any entity in which any individual described in clauses (a) and (b) 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%).

- H. **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 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.
- I. **Relative-** of an 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.