

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY BY-LAWS

ARTICLE 1

THE AGENCY

Section 1. Name. The name of the Agency shall be “Orange County Industrial Development Agency” as established by General Municipal Law, Chapter 390 of the Laws of 1972, specifically Section 912.

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

Section 3. Office of the Agency. The office of the Agency shall be in Orange County, New York.

Section 4. Mission Statement and Powers of the Agency. The mission of the Agency shall be to effectuate the economic development policy and purposes of the General Municipal Law, Section 852, in Orange County, New York. Toward that end, the Agency shall among other things: (1) seek, outreach and process applications for financial assistance from companies; (2) invest in and undertake economic development projects in Orange County with a view toward quality job creation, job retention and other economic benefits; (3) assist in expanding manufacturing opportunities in Orange County; and (4) improve the quality of life in Orange County recognizing that excellent quality of life enhances economic development.

The Agency shall have all the powers of an Industrial Development Agency authorized by Article 18-A of the General Municipal Law and shall have the power to do all things necessary or convenient to carry out its purposes and exercise the powers authorized herein.

ARTICLE II MEMBERS

Section 1. Board of Directors. The Orange County Industrial Development Agency is composed of a seven member Board of Directors which is appointed by and serves, without compensation, at the pleasure of the Orange County Legislature and shall continue to hold office until his or her successor is appointed. Notwithstanding, the Board of Directors shall be entitled to necessary expenses, including traveling expenses, incurred in the discharge of their duties. Upon the resignation or removal of a Member, a successor shall be selected by the County Legislature. Members may resign at any time by giving written notice to the

County Legislator and to the Chairman of the Agency. Unless otherwise specified in the notice the resignation shall take effect upon receipt of the notice by the Chairman or the County Legislator. Acceptance of the resignation shall not be necessary to make it effective.

No Agency Board member, including the Chairman, shall serve as the Agency's Chief Executive Officer or hold any other equivalent position.

Section 2. Board Member Responsibilities. The duties and responsibilities of the Board are as follows:

- A. Execute direct oversight of the Agency's chief executive officer and other senior management in the effective and ethical management of the Agency;
- B. Understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the Agency;
- C. Establish policies regarding the payment of salary, compensation and reimbursements and establish rules for time and attendance of the chief executive officer and senior management;
- D. Adopt a Code of Ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in the Public Officers Law;
- E. Establish written policies and procedures on investments, travel, the acquisition of real property, the procurement of goods and services and policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, sexual harassment, malfeasance or other inappropriate behavior by an employee or board member of the Agency;
- F. Adopt a defense and indemnification policy and disclosing same to all board members;
- G. Perform each of their duties as board members in good faith and with that degree of diligence, care and skill which an ordinarily prudent person in like position would use under similar circumstances and apply independent judgment in the best interest of the Agency;
- H. Upon taking his/her oath of office, each board member executes an acknowledgement in which he/she attests that he/she understands his/her role and fiduciary responsibilities and understands his/her duty of loyalty and care to the Agency and commitment to the Agency's mission and public interest.
- I. Comply with Section 3 below.

Section 3. Training, Independence and Ethics. Upon appointment, all Board members shall participate in State-approved training regarding their legal, fiduciary and ethical responsibilities within one year of their appointment to the Agency. Further, each Board member shall execute a certificate of independence as required by the PAAA. All members of the Board shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of industrial development agencies and to adhere to the highest standards of responsible governance as required by the PAAA. All Agency Board members, officers and

employees shall be familiar with the Ethics policies as adopted by the Board in accordance with PAAA requirements.

ARTICLE III

OFFICERS

Section 1. Officers and duties. The Officers of the Agency shall be a Chairperson, a Vice Chairperson, a Secretary, an Assistant Secretary and an Ethics Officer, who shall have such duties, powers and functions as hereinafter provided, and all of whom shall be elected by the members of the Agency at the annual meeting of the Agency in each fiscal year.

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

Section 3. Vice Chairperson. The Vice Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson and, in the case of the resignation of the Chairperson, the Vice Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Agency shall elect a new Chairperson.

Section 4. Secretary. The Secretary shall be responsible to keep, or cause to be kept, the records of the Agency, shall act as secretary of the meetings of the Agency and record or cause to be recorded all votes and shall keep, or cause to be kept, a record of the proceedings of the Agency in the form of minutes to be kept for such purpose and shall perform all duties incident to his/her office. He/she shall keep in safe custody, the seal of the Agency and shall have the power to affix the seal to all contracts and other instruments authorized to be executed by the Agency.

Section 5. Ethics Officer. The Ethics Officer shall be responsible for creating, implementing and overseeing ethical policies and standards. The Chairperson of the Agency shall be the Ethics Officer. In the event that the Chairperson shall have a conflict of interest with respect to a potential ethical issue, then the Chairperson of the Governance Committee shall act as the Ethics Officer.

Section 6. Additional Duties. The officers of the Agency shall perform such other duties and functions as may from time to time be required or authorized by the Agency, by the By-Laws of the Agency or by the rules and regulations of the Agency.

Section 7. Office Vacancies. Should any Agency office become vacant, the Agency shall appoint a successor from among its membership at the next regular meeting and such appointment shall be for the unexpired term of said office.

ARTICLE IV

KEY PERSONNEL, AGENTS AND SUBSIDIARIES

Section 1. Chief Executive Officer The CEO shall be hired/appointed by the Agency and shall be responsible for the design, implementation, and management of projects relating to Agency operations and for coordinating economic development projects. The CEO shall be accountable for management of all IDA staff. Strategy for the IDA once approved by the Board, shall be implemented by the CEO. He/She shall set goals and objectives for the organization. The CEO shall be the point of media contact for the Agency and shall present the Agency's economic development positions and policies on relevant issues. He/She will work with state, county, and local officials and the Agency's economic development partners, as necessary, on all prospective Agency projects.

Section 2. Chief Operating Officer. The Chief Executive Officer may, in his/her sole discretion, appoint a Chief Operating Officer. The Chief Operating Officer shall be responsible for the implementation and management of projects relating to the Corporation's operations. He/she shall ensure annual reporting requirements under the PAAA are met and that the Corporation's website likewise remains in compliance with PAAA requirements. He/she shall work with state, county and local officials on operational matters. The Chief Operating Officer shall attend all Corporation meetings with the right to take part in discussions, make policy and budget recommendations and give status reports on Corporation projects. The Chief Operating Officer shall perform all other related duties as assigned by the Chief Executive Officer, including acting for and in place of the Chief Executive Officer in executing, authenticating or affixing his/her signature or the seal to any document when such officers are unavailable or unable to perform their duties. He/she shall be responsible for the filing, recording, and actions of all resolutions, orders, policies, programs or projects of the Corporation unless otherwise delegated by the By-Laws or the Chief Executive Officer.

Section 3. Chief Financial Officer. The Chief Executive Officer may, in his/her sole discretion appoint a Chief Financial Officer. The Chief Financial Officer may be appointed to either an internal or an external position, as determined by the Chief Executive Officer. The Chief Financial Officer shall be responsible for the care and custody of all funds of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as he/she may select according to the Corporation's Investment Policy. It shall be the duty of the Chief Financial Officer to report at each regular meeting of the Board of Directors and participate in preparing the annual report of the Corporation and the filing of all required tax returns and other regulatory reports. The Chief Financial Officer shall keep books of accounts showing receipts and expenditures and shall render to the Corporation at each regular meeting, an accounting of his/her transactions and a report on the financial condition of the Corporation. He/she shall assist with the preparation of the annual budget. The Chief Financial Officer shall perform such other duties as may be assigned to him or her by the Board of Directors or the Chief Executive Officer. The Chief Financial Officer will report to the Chief Executive Officer and/or the Chief Operating Officer.

Section 4. Additional Personnel. The Agency may, from time to time, employ such personnel or engage such agents as it deems necessary to exercise its powers, duties and functions as prescribed by the New York General Municipal Law and all other laws of the State of New York.

ARTICLE V

ANNUAL REPORT AND ANNUAL BUDGET

Section 1. Annual Reporting. An Annual Report "PARIS" is required by the Public Authorities Accountability Act (PAAA). The Chief Executive Officer is responsible for compiling, preparing and filing the Annual Report, or causing same to be compiled, prepared and filed. The Annual Report shall be posted on the Agency's website and filed with the State as same may be required by the PAAA or other laws. The Chief Executive Officer, Agency Staff, Agency outside counsel and an independent accounting firm shall assist in preparing the Annual Report. The CEO shall compile and prepare the Annual Report by March 31 of each year for the preceding fiscal year ending December 31st. The Chief Executive Officer shall certify, or cause to be certified, that the financial information contained in the annual report is accurate and does not contain any untrue statements as required by the PAAA. The CFO shall submit the Annual Report by March 31st to the Orange County Executive, the Chairman of the Orange County Legislature and the New York State Authority Budget Office as required by the PAAA via the "PARIS" reporting system.

Section 2. Annual Budget. The annual budget shall be prepared by the Chief Executive Officer with input from the Chief Financial Officer. The budget shall contain information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year and the actual receipts and expenditures for the last completed fiscal year. The budget shall be prepared during the months of September and October of each year, in time for Agency adoption prior to the mandatory November 1st submission to the Orange County Executive, the Orange County Commissioner of Finance, the Chairman of the Orange County Legislature and the New York State Authority Budget Office as required by the PAAA.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Agency shall begin on the first day of January of each year.

Section 2. Annual Meeting. The annual meeting of the Agency shall be held at the first regularly scheduled meeting in the month of January at its designated meeting place.

Section 3. Regular meetings. Regular meetings of the Agency shall be held upon lawful notice at such times and places as, from time to time, may be determined by resolution of the

Agency.

Section 4. Special Meetings. The Chairperson of the Agency may, when he/she deems it desirable, and shall, upon the written request of two members of the Agency, call a Special Meeting of the Agency for the purpose of transacting any business designated in such call or for any business otherwise agreed to by a majority of members present at the meeting. The call for a Special Meeting may be delivered to each member of the Agency or may be mailed, faxed or e-mailed to the business or home address of each member of the Agency at least two (2) days prior to the date of such Special Meeting or as soon as practicable if meeting is called on less than two (2) days notice. Waivers of Notice may be signed by any members failing to receive proper notice.

Section 5. Quorum. At all meetings of the Agency, a majority of the members of the Agency shall constitute a quorum for the purpose of transacting business.

Section 6. Order of Business. At the regular meetings of the Agency, the following shall be the order of business unless modified by the Chairperson from time to time:

- A. Roll Call
- B. Approval of Minutes
- C. Financial Report
- D. Reports, as applicable
 - a. Chairperson's Report
 - b. Reports of Officers
 - c. Reports of Committees
- E. New Business
 - Applications and Resolutions
- F. Other Business
- G. Adjournment

The order of business may be altered or suspended at any meeting by the Members of the Agency.

Section 7. Committees. The Board shall have an audit, finance and governance committee. The Board may constitute other committees as it deems appropriate. The members of all committees shall be appointed at the Annual Meeting or as soon thereafter as a quorum can be obtained by the Chairperson of the Agency who shall be an ex officio member of each committee. A quorum of any committee shall consist of a majority of members of that committee. The CEO shall attend all committee meetings, if requested, and make such reports and recommendations as he/she deems necessary and advisable. The following constitute the Standing Committees of the Agency and their duties and responsibilities:

A. **Audit Committee.** The Chairperson shall appoint an Audit Committee comprised of at least three (3) independent members who shall constitute a majority of the Committee. The primary responsibilities of the Audit Committee shall be to recommend the hiring of a certified,

independent accounting firm, establish the compensation to be paid to such accounting firm and to provide direct oversight of the performance of the independent audit to be performed annually by the accounting firm. The Audit Committee shall also monitor the Agency's Investment Policy and recommend changes to such policy in consultation with their independent auditor, as necessary. In addition, the Audit Committee is charged with the responsibility of evaluating and deciding requests for exemptions from Agency clients from the Agency's local labor policy and for monitoring the work performed by the firm retained by the Agency for auditing adherence to such local labor policy.

B. Governance Committee. The Chairperson shall appoint a Governance Committee comprised of at least three (3) independent members who shall constitute a majority of the Committee. The primary responsibilities of the Governance Committee shall be to keep the Board informed of best governance practices, review corporate governance trends, update the Board's corporate governance practices, advise Board members on the skills and experiences required of potential board members, examine ethical and conflicts of interest issues, perform Board self-examinations and recommend By-Laws that include rules and procedures for conduct of Board business.

C. Finance Committee. The Chairperson shall appoint a Finance Committee comprised of at least three (3) independent members who shall constitute a majority of the Committee, the primary purpose of which shall be to oversee the Agency's debt and debt practices and to recommend policies concerning the Agency's issuance and management of debt.

Section 8. Voting. All action taken by the Agency shall require a vote by a majority of the total number of members of the board in accordance with Section 2826 of the New York State Public Authorities Law.

ARTICLE VII

AMENDMENTS

Section 1. Amendment to By-Laws. The By-Laws of the Agency shall be amended only with the approval of at least a majority of all of the members of the Agency at a regular or a special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all members of the Agency.