

BYLAWS
PUTNAM COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

ARTICLE I

THE AGENCY

SECTION 1. Name. The name of the Agency shall be "Putnam County Industrial Development Agency".

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 Agency. The office of the Agency shall be at the County Office Building, Carmel, New York, but the Agency may have other offices at such other places as the Agency may from time to time designate by resolution.

ARTICLE II

OFFICERS

SECTION 1. Officers. The officers of the Agency shall be a Chairman, a Vice Chairman, an Executive Director and a Secretary.

SECTION 2. Chairman. The Chairman shall be a member of the Agency and preside at all meetings of the Agency. The Chairman shall sign all agreements, contracts, deeds and any other instruments on behalf of the Agency. The Chairman shall sign all checks issued by the Agency. The Chairman shall submit his/her recommendations and such information as he/she shall deem pertinent concerning the business affairs and policies of the Agency, at each meeting. The Chairman shall

sign all agreement, contracts, deeds and any other instruments on behalf of the Agency.

SECTION 3. Vice Chairman. The Vice Chairman shall be a member of the Agency and perform the duties of the Chairman in the absence or incapacity of the Chairman. In the event of the resignation or death of the Chairman, the Vice Chairman shall become acting Chairman and perform the duties of the Chairman until such time as a new Chairman shall be appointed.

SECTION 4. Executive Director. The Executive Director shall have general supervision over the administration of the business and affairs of the Agency. The Executive Director shall not be a voting member of the Agency.

SECTION 5. Secretary. The Secretary shall be a voting member of the Agency. He/she shall act as Secretary at the meetings of the Agency, and shall keep a record of all votes thereat. He/she shall record the proceedings of the Agency in a journal of proceedings to be kept for such a purpose. He/she shall perform all duties incident to this office. He/she shall have custody of the seal of the Agency, and shall have the power to affix such seal to all contracts and other instruments authorized by the Agency to be executed.

SECTION 6. Finances. There shall be appointed a Treasurer who shall keep records of all funds of the Agency and shall deposit all such funds in the name of the Agency in such bank or banks as the Agency may designate. The Treasurer shall not be a voting member of the Agency. Except as otherwise authorized by resolution of the Agency, the Treasurer shall sign all instruments of indebtedness and shall pay out and disburse such moneys under the direction of the Agency. Except

as otherwise authorized by resolution of the Agency, all such instruments of indebtedness shall be countersigned by the Chairman. The Treasurer shall keep regular books of accounts showing all receipts and expenditures. He/she shall render to the Agency at each regular meeting an account of the financial transactions and the current financial condition of the Agency. He/she shall give such bond for faithful performance of his/her duties as the Agency may determine.

The Treasurer will assure that Industrial Development Agency funds in excess of \$100,000.00 are not deposited in any one financial institution (FDIC) within or without the County. (effective January 1, 2008)

SECTION 7. Additional Duties. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency, by its bylaws, by its rules and regulations or by resolution.

SECTION 8. Election of Member Officers. Member officers shall hold office concurrent with their terms as members of the Agency. If the term of any Agency member officer should terminate, his/her term of office as an officer shall also terminate.

SECTION 9. Appointment of Officers. All officers of the Agency other than voting members shall be appointed by the Chairman and shall serve at the pleasure of the Chairman. The Chairman shall appoint a Chief Executive Officer and a Chief Financial Officer with approval of the Board to serve the Agency in accordance with the enclosed job descriptions/functions (see Attachment A and B). These officers will not have voting privileges on the Board.

SECTION 10. Vacancies. Should any office of a non-voting member become vacant, the Chairman shall appoint a successor at the next regular meeting.

SECTION 11. Members of the Agency. The term of office of each voting member of the Agency shall be for the term as appointed by the governing body of the County of Putnam, and each member shall continue to hold office until his/her successor is appointed and has qualified.

SECTION 12. Alternate Membership. The governing body of Putnam County may from time to time appoint alternate members to the Agency in excess of seven. These persons shall be alternate members of the Agency. These alternate members shall have full voting power at any Agency meeting in which there are less than seven regular voting members of the Agency. The governing body of Putnam County shall designate which member is first alternate, second alternate, etc.

SECTION 13. Committees.

- a. The Chairman will appoint/nominate three or more “independent members” of the Board to serve on the Audit Committee (committee requirements and functions are attached – see Attachment C).
- b. The Chairman will appoint/nominate three or more “independent members” of the Board to serve on the Governance Committee (committee requirements and functions are attached – see Attachment D).

ARTICLE III

MEETINGS

SECTION 1. Annual Meeting. The annual meeting of the Agency shall be held on the second Thursday of October at 8:00 p.m. at the regular meeting place of

the Agency. In the event such day shall fall on a legal holiday, the annual meeting shall be held on the next succeeding day that is not a legal holiday.

SECTION 2. Regular Meetings. Regular meetings of the Agency may be held at such times and places as from time to time may be determined by the Agency.

SECTION 3. Special Meetings. The Chairman 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 the call. The call for a special meeting may be delivered to each member of the Agency or may be mailed to the business or home of member of the Agency at least two days prior to the date of such special meeting. Waivers of Notice may be signed by any members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all members of the Agency are present at the special meeting, with or without notice thereof, and are all agreeable thereto, any and all business may be transacted at such special meeting.

SECTION 4. Executive Sessions. When determined by the Agency that any matter pending before it is confidential in nature, it may, upon its own motion, establish an executive session and exclude non-members from such session.

SECTION 5. Quorum. At all meetings of the Agency, a majority of the Agency shall constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time or until a quorum is obtained.

SECTION 6. Order of Business. At the regular meeting of the Agency, the following shall be the order of business:

1. Pledge of Allegiance.
2. Roll Call.
3. Reading and approval of the minutes of the previous meeting.
4. Bills and communications.
5. Report of the Treasurer.
6. Reports of Committees.
7. Unfinished business.
8. New Business.
9. Adjournment.

All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

SECTION 7. Manner of Voting. The voting on all questions coming before the Agency shall be by roll call alphabetically, and the yeas and nays shall be entered on the minutes of such meeting, except in the case of appointments when the vote may be by ballot. Any action of the Agency shall be binding, upon determination by a majority of the entire membership of the Agency.

ARTICLE IV

AMENDMENTS

SECTION 1. Amendments to By-Laws. The by-laws of the Agency may be amended with the approval of two-thirds (2/3) of all of the members of the Agency at a regular meeting or at a special meeting called for that purpose; but no such amendment shall be adopted unless at least ten (10) days written notice thereof has been previously given to all members of the Agency and to the governing body of the County of Putnam.

ARTICLE V

POLICIES AND PROCEDURES

SECTION 1. Projects to be Considered by the Agency. It is the policy of the Agency that any project shall be considered by it which shall conform to the letter and spirit of the laws of the State of New York, Chapter 1030, Article 18-A, as amended from time to time.

SECTION 2. Audit of Records and Accounts.

- a. The Agency shall annually secure an audit of its financial records and accounts and shall file a copy of such audit with the governing body of the County of Putnam within ninety (90) days after the close of the Agency's fiscal year for its proceedings and its activities during the preceding fiscal year. In addition, the Agency shall submit to the governing body of the County of Putnam an uncertified, internally prepared statement of its financial records and accounts as of the end of the sixth month of the Agency's fiscal year.
- b. The Agency may require any other operating statements which it shall determine are required for daily operation.

SECTION 3. Adoption of Rules, Regulations, Policies and Procedures. The Agency by resolution may adopt such rules, regulations, policies and procedures as it may deem necessary and appropriate to the operation so long as the same shall not be contrary to these by-laws as they may be amended from time to time.

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STATE OF NEW YORK)

COUNTY OF PUTNAM)

I, Vincent Murphy, duly elected, qualified and acting Secretary of the Putnam County Industrial Development Agency (the "Agency"), hereby certify that:

1. The foregoing is a true, correct and complete copy of the by-laws of the Agency.

IN WITNESS WHEREOF, I have signed this certificate and affixed the seal of the Agency this 23rd day of May, 2007.

Secretary
Putnam County Industrial
Development Agency

(SEAL)

Chief Executive Officer

- Must attend applicable State-approved training session regarding their legal, fiduciary, financial and ethical responsibilities of the IDA Authority.
- Understand, review and monitor the implementation and operational decisions of the IDA Authority.
- Conduct an on-site review of the premise and operation of each client receiving IDA benefits and prepare a thorough report of findings regarding their adherence to terms of the original agreement. Subject report is to be reviewed by the IDA Board and submitted to the ABO as required by statute.
- Will review and approve all Putnam County IDA audits and annual report submissions to the ABO. Every financial report must be certified by CEO & CFO under Statute 2800 of ABO Regulation.
- Will assist the Chairman with any special assignments or projects needed to enhance the performance of the IDA.

Chief Financial Officer

- Must attend applicable State-approved training session regarding their legal, fiduciary, financial and ethical responsibilities of the IDA Authority.
- Review and certify in writing that every financial report included in the annual report to the effect that based on your knowledge;
 - a - The information provided is accurate, correct and does not include any untrue statements of material fact.
 - b - Does not omit any material fact which would cause the financial statements to be misleading.
 - c - Fairly presents in all material respects the financial condition and results of operations of the IDA.
- Assist the executives of the IDA in the development of annual budgets and subsequent updates.
- Make disbursements of the IDA funds to employees and service providers based upon approved expenditure vouchers or employment agreements.

The Audit Committee

- Shall be comprised of at least three independent board members, appointed by the Board Chairman, with the following contingencies:
 - a - Has not been employed by the IDA or an affiliate in an executive capacity.
 - b - Has not received remuneration from the IDA for goods or services in excess of \$15,000 in the past two years.
 - c - Is not a relative or an employee of an executive of the IDA or affiliate.
- Will seek to learn or become familiar with corporate and financial accounting practices.
- Will recommend the hiring of an independent accounting firm to conduct the annual independent audit.
- Will establish compensation to be paid to the accounting firm selected.
- Will oversee the performance of the audit.

The Governance Committee

- Shall consist of three independent board members, appointed by the Board Chairman, under Section 18 of the Public Authorities Act of 2006.
- Shall keep the board informed of current best governing practices as established by State statutes.
- Shall update the IDA's corporate governing principles and by-laws.
- Shall advise IDA board members of the skills and experiences required of the membership in order to properly function as a member of the committee. Formal training should be in regards to their legal, fiduciary, financial and ethical responsibilities.
- Regularly examine actions taken by the Authority to ensure compliance with established policies, procedures and guidelines of the Authority.
- May establish special committees to investigate and govern ethical, legal or other matters which might arise for Board consideration.