

Corporate By-Laws For Schoharie Community Development Corporation

Article I

Section 1.1 The name of the organization shall be the Schoharie Community Development Corporation. The organization was incorporated by the filing of a Certificate of Incorporation with the Secretary of State for the State of New York on March 23, 2007. The corporation was incorporated pursuant to Section 201 of the Not-for-Profit Corporation Law, as a Type C corporation. The corporation will apply for recognition as an exempt corporation pursuant to Section 501c (3) of the Internal Revenue Code.

Article II

Purposes

Section 2.1 The general purposes of the corporation are the planning and implementation of programs, projects and activities designed to create or stimulate economic and community development in the Town of Schoharie and surrounding area by:

- (a) Creating employment opportunities for the Town of Schoharie and Surrounding Area;
- (b) Increasing the property tax base in and around the Town of Schoharie;
- (c) Increasing sales tax revenues in and around the Town of Schoharie;
- (d) Encouraging and fostering entrepreneurship;
- (e) Strengthening and expanding existing businesses;
- (f) Bringing new business in and around the Town of Schoharie
- (g) Revitalizing downtown and other commercial shopping areas
- (h) Stimulating tourism growth;
- (i) Encouraging the environmental remediation and reuse of vacant property
- (j) Promoting the development of land use policies designed to encourage development and preserve neighborhoods, enhancing the historic value of Schoharie;
- (k) Encouraging and supporting the development and maintenance of municipal infrastructure, recreational facilities, and other public facilities and services that support businesses and residential neighborhoods; promote and encourage implementation of the Long Term Community Recovery Plan;
- (l) Undertaking any other activities that affect the general purposes of the Corporation.

Article III

Conflict of Interest

Section 3.1 Conflict of Interest

No person who is a member of the Board of Directors or an officer, or an employee of the corporation shall participate in the exercise of their duties if the same would constitute or appear to constitute a conflict of interest. Anything that is perceived as a conflict of interest shall be fully disclosed to the Board of Directors and to any interested party involved in the transaction.

Article IV

Board of Directors

Section 4.1 General Powers

The corporation shall be managed by its Board of Directors, which shall have full power by majority vote of Directors attending a meeting, to adopt rules and regulations governing the actions of the corporation and the Board of Directors. The Board of Directors shall ensure that the corporation adheres to the basic purpose of the corporation as set forth in Article II.

Specific responsibilities include, but are not limited to; initiating, recommending, and adopting the organization's policies, serving on corporate committees if formed; planning and approving new budgetary and programmatic directions; appointing and evaluating the performance of the Executive Director, as needed.

Section 4.2 Prohibitions

The Board of Directors shall enforce the following prohibitions:

- (a) No part of the net income of the corporation shall inure to the benefit of any person on the Board of Directors, an officer member of the corporation.
- (b) The corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Section 4.3 Number and Term

The number of Directors shall be no less than seven (7) or more than (15), each of whom shall be at least 18 years of age. The Director's elected in 2015 shall be randomly appointed to terms expiring on June 30th of 2017, 2018, or 2019, with one-third or the closest fraction thereto of those terms expiring in each of those years. Thereafter, Directors shall serve terms of three years and, upon expiration of a term, each Director shall serve until a successor shall have been elected.

Section 4.4 Composition

Each member of the Board of Directors shall be a resident of the State of New York, or shall have his/her principal place of employment within the corporate limits of the State of New York. Notwithstanding the above, the Board of Directors may allow no more than two of its positions to be filled by members who do not reside in the State of New York or who do not have his/her principle place of employment within the corporate limits of the State of New York, provided that such members shall have vested interest in the Town of Schoharie and its surrounding area, that relates to the purposes of the corporation as set forth in Article II of these By-Laws, entitled Purposes.

Section 4.5 Election of Directors

Board vacancies created by the expiration of terms shall be filled at the annual meeting by a majority vote of the Directors then in office. The Chairperson may, at his/her option and with approval of the Board, appoint an ad hoc Nominating Committee to make recommendations to the Board for nomination of Directors and Officers at the annual election and to fill vacancies as needed.

Section 4.6 Vacancies

Any vacancy occurring on the Board of Directors occurring prior to the expiration of a term shall be filled by a majority vote of the Directors present at a meeting. The term of a Director so elected shall be the unexpired term of his/her predecessor. Any Board seat to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or, upon notice to the current Board, at a regular or special meeting.

Section 4.7 Resignation

Any Director may resign at any time by giving written notice to the Chairperson or Secretary.

Section 4.8 Removal

Any Director may be removed by an affirmative vote of two-thirds of the Board of Directors then in office.

Article V

Officers

Section 5.1 Designation

The Officers of the Corporation shall be the Chairperson, the First Vice-Chairperson, Secretary, and Treasurer. The Board of Directors may elect such other officers, including Assistant Secretaries and Assistant Treasurers, as it shall deem desirable. Such Officers shall have the authority and perform the duties prescribed from time to time by the Board of Directors.

Section 5.2 Election and Term of Office

The Officers of the Corporation shall be elected from the Board membership at the annual meeting of the Board of Directors. If the election of Officers is not held at such a meeting, the election shall be held as soon thereafter as is practicable. Officers shall serve for a term of one year. The term of office shall be from July 1st to June 30th, unless otherwise provided in these By-Laws. Each officer shall hold office until a successor shall have been duly elected and qualified.

Section 5.3 Vacancies

A vacancy in any office, because of resignation, removal or other reason shall be filled by a majority vote of current Directors present at a meeting for the unexpired portion of the term. Such interim Officer so elected shall serve until his/her successor has been elected and qualified.

Section 5.4 Removal

Any Officer of the Corporation may be removed by an affirmative vote of two-thirds of the Board of Directors then in office.

Section 5.5 Chairperson: Powers and Duties

The Chairperson shall, in general, supervise the business and affairs of the Corporation. He/she shall preside at all meetings of the Board of Directors. He/She may sign contracts or other instruments that the Board of Directors have authorized to be executed; and shall perform such other duties as may be assigned by the Board of Directors from time to time.

Section 5.6 Vice-Chairperson(s): Powers and Duties

In the absence of the Chairperson, the Vice Chairperson shall perform duties normally assigned to the Chairperson and, from time to time, may be assigned additional duties by the Chairperson or by the Board of Directors.

Section 5.7 Treasurer: Powers and Duties

The Treasurer shall have charge of all funds and securities of the Corporation; ensure the receiving and giving of receipts for monies due and payable to the Corporation; ensure the deposit of all monies in the name of the Corporation, in banks, or other depositories, as shall be designated by the Board of Directors. When required by the Board of Directors, the Treasurer shall ensure the rendering of financial statements of the Corporation's accounts, and furnish the books and records for examination by any Officer or Director of the Corporation. The Treasurer shall perform other duties as from time to time may be assigned by the Chairperson or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum as the Board of Directors shall determine.

Section 5.8 Secretary: Powers and Duties

The Secretary shall keep the minutes of the Board of Directors, including a listing of those in attendance; be responsible for giving all notices required by these By-Laws; act as custodian of the Corporation's

records and seal; maintain a register of the post office and residential addresses of all members which shall be furnished to the Secretary by each member, and perform such other duties as from time to time may be assigned by the Chairperson or Board of Directors.

Section 5.9 Assistant Treasurers and Assistant Secretaries

Assistant Treasurers and Assistant Secretaries, if any, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the Chairperson or the Board of Directors, and shall serve on the Executive Committee ex-officio without vote.

Article VI

Meetings of the Directors

Section 6.1 Organization

The Chairperson of the Corporation or, in his/her absence, the Vice-Chairperson, shall preside at all meetings of the Board of Directors; should both be absent, a Chairperson shall be chosen by designation, by the members who are present. The Secretary of the Corporation shall act as Secretary at all meetings of the Board of Directors. In the absence of the Secretary, the presiding Officer may appoint any person to act as Secretary of the meeting.

Section 6.2 Annual Meeting

An annual meeting of the Board of Directors shall be held, upon notice, for the purposes of electing Directors and Officers and for the transcription of such other businesses as may come before the meeting. The meeting shall be held during the month of June at a time and place to be designated by the Chair, or at such other date, time and place as the Board of Directors may designate.

Section 6.3 Regular Meetings

Regular meetings of the Board of Directors shall be held not less than six (6) times a year at such date, time, and place as may be determined by the Board of Directors.

Section 6.4 Special Meetings

Special meetings of the Board of Directors may be held at such date, time, and place as may be determined by the Chairperson, or, at a date, time and place designated by written demand of not less than one-half of the Directors then in office.

Section 6.5 Notice of Meetings

Notice stating the place, day, and purpose and hour of any meeting of the Directors shall be sent by the Secretary, or by such other person as the Board of Directors may designate, to each Director, in the following manner; not less than ten (10) calendar days before the date of an annual meeting; not less

than two (2) calendar days before the date of a special meeting. At a special meeting, the unanimous consent of all present, following quorum guidelines, shall be required to transact any business not stated in the meeting notice. All meetings shall be held in a public place, with prior public notice of ten (10) days. Notice of meetings may be made by email or other forms of electronic communications. Members may participate in meetings electronically or by other forms of telecommunication.

Section 6.6 Quorum

Majority of members of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a quorum of the Board is present, a majority of Directors present may make recommendations for consideration at the next regular meeting at which a quorum is present.

Section 6.7 Voting

Each Director shall be entitled to one vote on each matter submitted to the Board of Directors for a vote. All Directors shall be voting members of the Board.

Section 6.8 Action by the Board

The act of the majority of the Directors attending a meeting at which quorum is present shall be deemed the acts of the Board of Directors.

Section 6.9 Action without a Meeting

Any lawful Board action may be taken without a meeting if all members of the Board consent in writing or electronically to said action and these consents shall be filed with the minutes of the Board or its designated Committee.

Section 6.10 Order of Business

The order of business for all meetings of the Directors shall be as follows:

1. Roll Call
2. Reading or minutes of the preceding meeting for review and approval
3. Committees' Reports
4. Old Business
5. New Business
6. Adjournment

Article VII

Members

Section 7.1 The members of the Corporation shall be those persons who are members of the Board of Directors.

Article VIII

Amendments to the By-Laws

Section 8.1 Amendment or Revocation

These By-Laws may be amended or revoked by a resolution of the Board of Directors at a regular meeting or the annual meeting, provided that the procedures of this Section 8 are followed.

Section 8.2 Consideration at the First Meeting

The Directors may consider revisions to the By-Laws at any meeting. Any revisions proposed for adoption shall be authorized by a Resolution of the Board of Directors for placement on the agenda of the Board of Directors' next regular meeting (the Second Meeting);

Section 8.3 Action at the Second Meeting

Any proposed revisions to the By-Laws, which have been authorized by a Resolution of the Board of Directors at a prior meeting, shall be considered and acted upon by the Board of Directors at the Second Meeting. At the Second Meeting, a Resolution adopting any revisions to the By-Laws shall require approval by at least two-thirds of the Directors in attendance at the Second Meeting.

Section 8.4 Notice to Board of Directors

At such time as the members of the Board of Directors are given notice of the Second Meeting, each member of the Board of Directors shall receive a copy of the proposed Amendments or Revisions to the By-Laws.

Secretary

Conflict of Interest Statement For Schoharie Community Development, Inc.

The purpose of the conflict of interest policy is to protect SCHOHARIE COMMUNITY DEVELOPMENT CORPORATION, INC, interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director, officer or committee member, or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable State and Federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions

1. Interested Person – Any director of the Board of Directors, officer, or member of a committee with governing board delegated powers, who has a different or indirect Financial Interest or Family Relationship, as defined below, is an Interested Person.
2. Financial Interest – A person has a Financial Interest if the person has, directly or indirectly, through business, investment, family or family relationship:
 - a. An ownership or investment interest in any entity with which the Schoharie Community Development has a transaction or arrangement;
 - b. A compensation arrangement with Schoharie Community Development or with any entity or individual with which the Schoharie Community Development has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, an entity or individual with which the Schoharie Community Development is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are NOT insubstantial.

A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest may have a conflict of interest ONLY if the appropriate governing board or committee decides that a conflict of interest exists.

3. Family Relationship – A person has a Family Relationship if the person has the following relationship.
 - a. A direct relationship – grandfather, grandmother, father, mother, step-father, step-mother, brother, sister, brother-in-law, sister-in-law, half-brother/sister, son, daughter, step-son, step-daughter;
 - b. Household member – any person living in the Interested Person’s home for a period of greater than one (1) month during the past three (3) years; and,
 - c. An indirect relationship – a relative one step removed from a direct relationship as defined above.

Board Members, Officers, and key employees of the Schoharie Community Development, whether or not such persons are compensated for their services, shall exercise their responsibilities with loyalty and

care to the Schoharie Community Development, and shall not use their positions for personal advantage or for the advantage of their families. To serve loyally, each Board Member, Officer and key employee shall identify and be conscious of conflicts between Schoharie Community Development's interests and the interests of such person's personal interests or any interest, direct or indirect, which might affect, or might reasonably be thought to affect, a person's judgment or the conduct of such person (each referred to hereinafter as an "Interested Person"). Each Interested Person shall act with candor and care in disclosing and resolving such conflicts and shall acknowledge and discharge his or her duty to disclose actual and potential conflicts of interest. Any questions regarding the applicability of this policy should be directed to the Board.

The following guidelines should assist Board members, Officers and key employees in discharging their duties of loyalty and care:

1. Board members, Officers and key employees shall not receive payment, commercial benefits or gifts in excess of \$5,000 annually from any entity or person providing services or products or seeking to provide such services to the Schoharie Community Development, unless approved by an independent vote of the Board of Directors, without participation from the Board member, Officer or key employee who may receive such remuneration.
2. Schoharie Community Development shall not enter into any related party transaction unless the transaction is determined by the Board to be fair, reasonable and in the groups' best interest at the time of such determination. A related party transaction is any transaction, agreement or other arrangement in which a related party, including without limitation an Interested Person, his or her firm and his or her immediate family members, has a substantial financial interest and in which the group is a participant. Any director, officer or key employee who has an interest in a related party transaction shall disclose in good faith to the Board the material facts concerning such interest. With respect to any related party transaction, the Board shall:
 - (1) Prior to entering into the transaction, consider alternative transactions to the extent available;
 - (2) Approve the transaction by not less than a majority vote of the committee members or directors present at the meeting; and
 - (3) Contemporaneously document in writing the basis for the Board's approval, including its consideration of any alternative transactions.
3. In connection with any actual possible conflict of interest, an Interested Person must disclose the existence of the interest and all material facts for consideration of the proposed transaction or arrangement to the Schoharie Community Development Board. In addition, an Interested Person shall disclose any professional or personal relationship with any vendor, funder, or grantor.
4. In the normal course of business Board members, Officers and key employees shall be sensitive to any direct or indirect conflict of interest, whether of a personal or business interest, in a decision to be made.
5. For avoidance of doubt, an Interested Person shall not be present at or participate in the Board or committee deliberation or vote on the matter giving rise to such conflict. Further, an Interested Person is prohibited from making any attempt to influence improperly the deliberation or vote on the matter giving rise to such conflict.

To ensure compliance with the conflict of interest policy, each Board Member, Officer and key employee shall agree to comply with this policy, and complete a Conflict of Interest Statement every year. Further, prior to the election of any director, and annually thereafter, such director shall complete, sign and submit to the Secretary a Conflict of Interest Statement identifying, to the best of the director's knowledge, any other entity of which such director is an officer, director, trustee, member, owner (either as sole proprietor or a partner), or employee and with which the Schoharie Community Development Corporation has a relationship, and any transaction in which the organization is a participant and in which the director might have a conflicting interest. The Secretary shall provide a copy of all completed statements to the Board Chairman.

The Board will have the responsibility for ensuring compliance with this policy, administering the annual questionnaire and making decisions as required to avoid actual conflicts of interest. The Board will also review and revise this policy as needed.

The existence and resolution of the conflict shall be documented in the Schoharie Community Development's records, including in the minutes of any meeting at which the conflict was discussed and/or voted upon.

**Conflict of Interest Statement
For
Schoharie Community Development, Inc.**

CONFLICT OF INTEREST DISCLOSURE STATEMENT

Name: _____

Title: _____

- (1) I have read and understand the Conflict of Interest Statement of the Schoharie Community Development Corporation, Inc. and agree to comply with its terms and conditions.
- (2) Except as noted in (3) below, I do not have any direct or indirect relationship with any third party which gives rise to a conflict of interest or the appearance of a conflict of interest resulting from my service to the Schoharie Community Development Corporation, Inc.
- (3) State "None" or identify any exception:

- (4) I certify that, to the best of my knowledge and belief, all of the information on this Disclosure Statement is true, correct, complete, and made in good faith. If circumstances change from the above during the course of my service to the Schoharie Community Development Corporation Inc., I will notify the Board of Directors promptly.

(Signature)

(Date)