

**BYLAWS OF THE
CHAUTAUQUA LAKE ROWING ASSOCIATION
(A New York Nonprofit Corporation)
April, 2016**

ARTICLE I

NAME AND LOCATION

SECTION 1.1. Name. The name of the association shall be the "Chautauqua Lake Rowing Association, Incorporated," (the "Association").

SECTION 1.2. Offices. The principal office of the Association and its registered office in New York shall be located in the City of Jamestown, County of Chautauqua, or at such other place as the Board of Directors (hereinafter sometimes referred to as the "Board") may designate from time to time, as more particularly identified in the Articles of Incorporation and subsequent Annual Reports filed with the New York Secretary of State.

ARTICLE II

PURPOSE AND ACTIVITIES

SECTION 2.1 Purpose. The purpose of the Association shall be to promote recreational rowing, and local, national, and international amateur sports competition in rowing and will pursue that purpose through local rowing programs, opportunities, and competitions accessible to the public.

SECTION 2.2 High School Program. The Association will promote, develop, and sponsor competitive rowing opportunities and training for area high school students.

SECTION 2.3 Other Activities. In furtherance of its purpose, the Association may acquire real and personal property and rights of recreational access; recruit members and train rowers at all levels of performance; promote regattas, competitions, clinics, demonstrations, and other educational events; compose and distribute newsletters and rowing publications; host lectures and social events; attend and assist with rowing competitions sponsored by other organizations; participate in community lake, riverfront, environmental, and recreational management and development activities; and engage in other activities that generally advance the sport of amateur rowing through all competitive levels.

SECTION 2.4 Fundraising. The Association may solicit funds from individuals, corporations, foundations, Associations, and governmental entities through contributions, gifts, grants, gifts of property, bequests, or otherwise, and to utilize such funds for the purposes described above.

ARTICLE III
MEMBERSHIP

SECTION 3.1. Authority. The Association shall be operated as a private, charitable, nonprofit membership organization under the New York Nonprofit Corporation Act. The Association shall establish and revise dues, fees, and categories, including the relatives rights and limitations of each, for membership through decisions of the Board.

SECTION 3.2 Members. Members of the Association (“Members” or “Membership”) shall be natural persons over the age of 18, or minors of rowing age who have received written consent of a legally responsible parent or guardian to join, who have submitted a duly signed membership application and liability wavier form and have paid the required dues. Membership will be granted without regard to sex, race, creed, color, sexual orientation, political affiliation, philosophy or religion, or physical impairment.

SECTION 3.3 Rights of Members. Each member who has satisfied the required dues obligations, who is at least 18 years of age, and who otherwise is in “Good Standing” as defined by the Board, shall be entitled to one vote on any matter required to be submitted to vote of the Members by law, the Articles of Incorporation, these Bylaws, or Board action.

SECTION 3.4 Definition of Good Standing. A member in good standing shall be defined as a Member who has paid all obligations accrued in favor of the Association.

SECTION 3.5 Honorary Memberships. Honorary Memberships may be granted at the discretion of the Board of Directors by an affirmative vote of two-thirds of the entire Board.

SECTION 3.6 Renewal of Memberships. The renewal date for memberships shall be **March 1** of each year. Members whose dues are not paid by March 1 shall not be considered to be in “Good Standing.”

SECTION 3.7 Non-Transferable. Membership in the Association is not transferable or assignable, nor may members exercise their vote by proxy.

SECTION 3.8 Annual Meeting of the Membership. The Association shall hold an Annual Meeting of the Membership (“Annual Meeting”) for the purposes of conducting the election of members to the Board of Directors and for such other business as may be appropriate either by law or by decision of the Board of Directors. The Annual Meeting shall be held by March 1 of each calendar year at a date, time, and place specified by the Board in the notice of such meeting which shall be distributed to each Member at least 30 days prior to the meeting date using any standard means of Member communication then in practice such as email, postal mail, or phone messaging.

SECTION 3.9 Special Membership Meetings. Special Membership Meetings shall be held when required by law, on such occasions as the board shall direct, or when the Board is presented with a petition requesting a Special Membership Meeting for a specified purpose, which has been signed personally by at least 20% of the Members. When a Membership

Meeting is called by petition, at least 15 days notice shall be provided to Members. Business transacted at a Special Membership Meeting shall be confined to the business described in the notice of the meeting. A quorum of 25% of eligible Members shall be present to conduct business at a Special Membership Meeting.

ARTICLE IV

ELECTIONS AND REFERENDUMS

SECTION 4.1 Purpose. An **election** shall be held at the Annual Meeting to elect Directors to serve on the Association's Board. A **referendum or poll** may be conducted by the Board for the purpose of soliciting opinions on matters from the Members.

SECTION 4.2 Nominating Committee. A Nominating Committee whose purpose shall be to determine a slate of nominees for election to the Board of Directors at the Annual Meeting shall be constituted by the Board ~~at least 90 days~~ in advance of the Annual Meeting. The Nominating Committee shall be comprised of no fewer than ~~three-two (23)~~ nor more than ~~five-four (45)~~ Members, ~~at least one-third of whom are not currently serving on the Board~~. The Nominating Committee shall submit to the Board its list of nominees for seats on the Board of Directors at ~~least 15 days prior to~~ the Annual Meeting. ~~The Nominating Committee shall designate a member who is not a candidate for a Board seat to attend the Annual Meeting and present the slate for election by the Members.~~

SECTION 4.3 Year of Service. Directors elected at the Annual Meeting shall take office on March 1 following the meeting at which they were elected and shall hold office for three years with their term expiring on the last day of February of the third year.

SECTION 4.4 Board Powers and Responsibilities Over Elections. The Board shall preside over elections and specify how and in what manner the election shall be conducted, subject to the requirements of these Bylaws, including providing for a system of absentee or electronic voting, at its discretion. The Secretary shall preside over elections and rule on disputed practices and procedures prior to the conclusion of the election. The Secretary and the representative selected by the Nominating Committee shall preside over the counting and/or recognition of Board election votes. In the event of a dispute, the Secretary, the Nominating Committee's representative, and the Board President shall serve as a Dispute Resolution Committee with authority to declare a final result and to prescribe remedial procedures.

SECTION 4.5 Election Rules. Each Member may vote ~~for no more candidates that are necessary to fill all vacant positions on the~~ for the number of Board seats that are available. Voting in elections by proxy or on an absentee ballot that does not include all candidates on the ballot shall not be allowed. A ballot shall not be counted if it contains an impermissible number of votes, has not been cast by a Member, or is on a ballot not authorized by the Board. ~~All elections must be held and concluded within a period of ten days prior to the Annual Meeting, culminating with the votes cast by Members at the Annual Meeting~~ Board Elections shall be held at the annual meeting. Those candidates receiving the highest number of votes after resolution of all challenges shall stand elected to the Board in order of total votes received until

all currently vacant positions on the Board are filled. Challenges to an election shall be lodged or filed before the close of the Annual Meeting.

ARTICLE V

BOARD OF DIRECTORS

SECTION 5.1. Authority. Subject to any limitations set forth elsewhere in these Bylaws or the Articles of Incorporation of the Association, the affairs of the Association shall be conducted under the governance, oversight and authority of a Board of Directors.

SECTION 5.2 Qualifications of Directors. All Directors shall at all times be current Members in good standing and at least 18 years of age. A Member shall be eligible for election or appointment to the Board of Directors notwithstanding the fact that such person is in any way related to or lives with a current Board member or a person who is also pursuing election to the Board.

SECTION 5.3. Number of, Selection, and Terms of Office. The number of Directors shall be no less than ~~6~~ eight (8) ~~and no more than fifteen (15)~~ with one (1) additional member per 15 members when membership is over 30 members). Unless otherwise specified at the time of appointment or election, each Director shall serve a term of three (3) years ~~and may be eligible to serve two additional three-year terms subject to nomination by the Nominating Committee.~~ Each Director shall be entitled to one (1) vote on matters before the Board.

SECTION 5.4. Vacancies. Vacancies in the Board of Directors may be caused by the death, resignation, disqualification or removal of any duly elected Director. A Director shall be nominated to fill a vacancy after consulting with the Nominating Committee and shall be elected by the existing Directors and shall serve for the unexpired portion of the term of the Director he or she replaces.

SECTION 5.5. Meetings of Directors. Regular meetings of the Board of Directors shall be held ~~on the second Saturday of each month~~ at such time and place as the Board of Directors shall ~~from time to time~~ designate. There shall be at least 6 meetings yearly. Notice of such Board meetings, together with an agenda which may be amended at the meeting, shall be given to Directors at least ~~five~~ seven (7) days prior to the meeting. Meetings of the Board of Directors by teleconference are permitted within the scope of these Bylaws. Special meetings of the Board of Directors may be called by the President or by a majority of the Directors by giving five (5) days' written notice to each Director. Whenever written notice is required to be given to a Director under this Section 4.4, it may be given to the Director personally or by sending a copy thereof by any of the following methods: by first class or overnight express mail, postage prepaid, by personal delivery, by email, or by facsimile transmission, in each case at or to the Director's address supplied by the Director to the Association for the purpose of notice. If the notice is sent or dispatched by these means, it shall be deemed to have been given to the Director entitled thereto.

SECTION 5.6. Quorum. At all meetings of the Board of Directors, the presence of a majority of the Directors in office shall constitute a quorum. In addition to those Directors who are actually present at a meeting, Directors shall be deemed as present at such meeting if a

telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time is used. The act of a majority of the Directors entitled to vote at a meeting at which a quorum is present shall be the act of the Board. A majority of the Directors present and entitled to vote, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place.

~~SECTION 5.7. Waiver of Notice. Whenever any written notice whatsoever is required to be given under the provisions of applicable law, the Articles of Incorporation of this Association, or these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, shall be deemed equivalent to the giving of such notice. Attendance of a Director at a meeting shall constitute a waiver of notice of the meeting unless the Director attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.~~

SECTION 5.78. Consents. Any action that may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and entitled to vote and shall be filed with the Secretary of the Association.

SECTION 5.89. Standard of Care and Fiduciary Duty. Each Director shall stand in a fiduciary relation to this Association and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in the best interests of this Association, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, each Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) one or more officers or employees of this Association whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such persons; or
- (c) a committee of the Board of Directors of this Association upon which the Director does not serve, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

SECTION 5.940. Removal of Directors.

The Board of Directors, by a majority vote of all of the other Directors, may declare vacant the office of a Director who is declared of unsound mind by an order of the court or is convicted of a felony or for other cause. "Other cause" shall mean any action or inaction which, in the reasonable discretion of the Board, materially and adversely affects or may affect the Association.

A Director who fails to maintain his or her membership in good standing ~~or who misses for any reason more than three (3) regularly scheduled board meetings in a calendar year~~ shall stand removed from the Board and may only be reinstated by motion asserting good cause, supported by a majority of the Board.

SECTION 5.104. Conflicts of Interest. An actual or potential conflict of interest exists when any of the following exists or is threatened:

- (a) An officer or Director has an ownership or investment interest in or compensation relationship with an organization with which the Association does or proposes to do business or an organization that competes with the Association; or
- (b) An officer or Director receives remuneration for performing services for the Association and the Association is determining his or her remuneration; or
- (c) An officer or Director serves as an officer or director or key employee of an organization that competes with or does business (including the receipt of grants) with the Association.

A conflict also exists when a similar circumstance exists with respect to a family member of a Director or an enterprise which is owned by a Director and/or his or her family members. ~~Annually, each Director and officer shall complete a disclosure statement reflecting his or her interests.~~

Directors shall act in a manner intended to further the best interests of the Association. If at any time a Director (i) has or may have a conflict of interest, or (ii) is unable to act in the best interests of the Association on any issue because of a personal situation, employment, conflicting interest, or other reason, the Director shall recuse himself or herself from voting on the subject and shall leave the room while the matter is discussed. Recusing himself or herself shall not prevent a Director from participating in other activities or discussions where no conflict of interest exists.

The Board may approve a transaction that is the subject of a conflict or potential conflict only if it has determined (i) that the transaction or arrangement is in the Association's best interest and for its own benefit, (ii) that it is fair and reasonable to the Association and (iii) after exercising due diligence, the Association would not obtain a more advantageous transaction with

reasonable efforts under the circumstances. Where appropriate the board shall obtain comparable information to assist it in reaching such conclusions.

The minutes of all meetings shall reflect (i) the names of the persons who disclosed any conflicts; (ii) the determination by the Board (other than the interested Director(s)) as to whether an actual or potential conflict of interest existed; (iii) the names of the persons who were present for discussions and votes relating to the transaction or arrangement; (iv) the content of the discussions, including any alternatives to the proposed transaction or arrangement and the basis for the determination of the Board, including any comparability data; (v) the voting record, including any abstention from voting; and (vi) any action to be taken.

SECTION 5.1 ~~12.~~ Compensation. Directors shall not receive any compensation for their services as Directors, but the Board may, by resolution, authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe the procedure for approval and payment of such expenses by designated office of the Association. Nothing herein shall preclude a Director from serving the Association in any other capacity and receiving compensation for such services.

ARTICLE VI

OFFICERS

SECTION 6.1. Enumeration. The officers of the Association shall consist of a ~~President, a Vice-President~~ Presiding Director, a Secretary, a Treasurer, and any other officers as the Board of Directors may from time to time determine. Two or more of the offices of ~~Presiding Director~~ President, ~~Vice-President~~, Secretary, and Treasurer may not simultaneously be held by one person. The offices of the ~~Presiding Director~~ President, ~~Vice-President~~, Secretary, and Treasurer shall be held by Directors.

SECTION 6.2. Election and Term of Office. The officers of the Association shall be chosen by the Board of Directors at the Annual Meeting of the Association for one-year terms.

Each officer shall serve for a term of one (1) year or until his or her successor is elected and qualified. Officers may succeed themselves for any number of additional terms. The Board shall fill a vacancy occurring in any office by death, dismissal, resignation or otherwise by electing at any regular or special meeting a new officer to serve the unexpired term.

SECTION 6.3. ~~Presiding Director~~ President. ~~The President~~ shall preside at all meetings of the Board and shall have general responsibility for the affairs and property of the Association. The ~~Presiding Director~~ President shall be authorized to execute documents and instruments on behalf of the Association and shall serve as the primary spokesperson for the Association. ~~Presiding Director~~ The President may create and appoint committees and volunteers to carry on the business of the Association.

~~SECTION 6.4 Vice-President. The Vice President shall, in the absence of the President or in the event of the President's disability, removal, or resignation, perform the duties and exercise the powers of the President and shall generally assist the President in carrying out the duties necessary to fulfill the mission of the Association.~~

SECTION 6.45. Secretary. The Secretary shall keep or cause to be kept minutes of all meetings of the Board of Directors. The Secretary shall be responsible for the timely mailing or delivery of all notices of meetings of the Board of Directors, shall be the official custodian of all non-financial records of the Association, including the roster of Members. The Secretary shall perform all duties incident to the office of Secretary of the Association, including the timely filing of all required reports, and such other duties as may be required by law, by the Articles of Incorporation or by these Bylaws, or which may be assigned from time to time by the Board of Directors.

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SECTION 6.56. Treasurer. The Treasurer shall conduct or supervise the financial activities of the Association and shall have custody of the Association funds and other valuable effects. Specifically, the Treasurer shall see that (a) full and accurate accounts of receipts and disbursements are kept, (b) a system is in place such that all monies and other valuable effects are deposited in the name and to the credit of the Association in such depositories as shall be designated by the Board, (c) the Directors at the regular meetings of the Board or whenever they may require it, receive an account of the financial condition of the Association, and (d) if required by law, an annual audit of the Association's books and records is performed by an auditor selected by the Board. The Treasurer shall arrange for the preparation of annual tax filings and required financial reports.

In performing these functions, the Treasurer may rely on other Directors, volunteers, or contracted personnel who possess special financial training and skills to effectively manage the Association's financial affairs. In the absence or disability of the Treasurer, an acting Treasurer or another Director appointed by the President, shall perform all the duties of the Treasurer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the Treasurer.

SECTION 6.67. Bonds. The Board may, in its discretion, require the Treasurer and any other officer to give bond in such amount and with such surety or sureties as may be satisfactory to the Board for the faithful discharge of the duties of the office and for the restoration to the Association, in case of the officer's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind belonging to the Association in the officer's possession or under the officer's control.

SECTION 6.78. Removal of Officers. Any officer elected or appointed to office may be removed by the Board of Directors following the procedure outlined in Section 5.10 above whenever in their judgment the best interests of the Association will be served.

ARTICLE VII

COMMITTEES AND ADVISORY COUNCILS

SECTION 7.1. Committees and Advisory Councils. The Association shall have such committees and advisory councils as the Board may deem advisable in the administration and conduct of the affairs of the Association. Such committees or advisory councils of the Board shall meet as necessary to accomplish their goals. The Board is authorized in its discretion to approve reimbursement for travel and actual expenses necessarily incurred by members of committees and advisory councils in attending meetings and in performing other official duties as such. Except as otherwise provided in these Bylaws or in the resolution creating the applicable committee or advisory council, chairpersons and members of committees or advisory councils shall be appointed annually by the President subject to the approval of the Board, and may be reappointed to a committee or advisory council for an unlimited number of terms. Persons who are not Directors or Members are eligible to serve as committee members and/or advisory council members. Any person authorized by these Bylaws to appoint the chairperson and/or members of any committee or advisory council may appoint himself or herself as chairperson and/or member. The chairperson of each committee and advisory council shall determine the date and place of all meetings. Each committee and advisory council may adopt its own rules of procedure not inconsistent with these Bylaws.

SECTION 7.2. Limitation of Power of Committees and Advisory Councils. No such committee or advisory council shall have any power or authority as to the following:

- (a) the creation or filling of vacancies in the Board of Directors;
- (b) the adoption, amendment or repeal of these Bylaws;
- (c) the amendment or repeal of any resolution of the Board that by its terms is amendable or repealable only by the Board; or
- (d) action on matters committed by these Bylaws or a resolution of the Board exclusively to another committee of the Board.

ARTICLE VIII

LIMITATION OF PERSONAL LIABILITY OF DIRECTORS AND INSURANCE

SECTION 8.1. Limitation of Directors' Personal Liability. A Director of the Association shall not be personally liable for monetary damages for any action taken unless the Director has breached or failed to perform the duties of his office under the [Not-for-Profit Corporation Law \(NPCL\)](#) as in effect at the time of the alleged action by such Director and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. Such limitation on liability does not apply to the responsibility or liability of a Director pursuant to any criminal statute or for payment of taxes pursuant to any Federal, state or local law.

SECTION 8.2. Preservation of Rights. Any repeal or modification of this Article by the Association shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or former Director may be entitled under this Article. The rights conferred by this Article shall continue as to any person who has ceased to be a Director of the Association and shall inure to the benefit of the heirs, executors and administrators of such person.

SECTION 8.3 Insurance. The Association may maintain insurance, at its expense, to protect itself or any Director, Officer, Member, or agent of the Association, or another corporation, partnership, joint venture, trust, or other enterprise, against any expense, liability, or loss, whether or not the Association would have the duty of indemnify such person against such expense, liability, or loss under New York law.

The Board in its discretion may place and keep in force insurance coverage including but not limited to:

- 1) Physical Damage Insurance. To the extent available in the normal commercial marketplace, commercial property, inland marine, and hull insurance to cover the real and personal property of the Association and the property leased on in the care of the Association. The amount of any deductible shall be determined by the Board in its sole discretion.
- 2) Commercial General Liability. To the extent obtainable in the normal commercial marketplace, public liability insurance for personal injury and death from accidents occurring with respect to the Association, Association property, and Association activity, and the defense of any actions brought by injury or death of a person or damage to property. The insurance shall be in such limits as the Board may from time to time determine, covering the Association and each Member, and shall also cover cross liability claims of one insured against the other. Such public liability insurance shall be in a single limit of not less than \$1,000,000 covering all claims for personal injury or property damage arising out of any one occurrence. The Board shall review liability insurance provisions annually and shall engage in prudent risk management by considering and instituting policies that limit liability exposure.
- 3) Directors and Officers Liability Insurance. Liability insurance indemnifying the Association's Officers and Directors against liability for errors and omissions occurring in connection with the performance of their duties in an amount of at least \$1,000,000 with any deductible amount to be in the sole discretion of the Board.
- 4) Professional Liability. To the extent obtainable in the commercial marketplace, liability insurance that covers Members serving the Association in the role of coaches with the high school program, for which Member clearance under State of New York provisions regarding child abuse and criminal conduct are required as a risk mitigation factor.

In cases such as auto insurance where Members also have their own coverage, the Member's policy will be considered to be the policy of the first resort and the Association's coverage will be considered to be coverage of the last resort. In such cases, the Member shall be solely responsible for the payment of any applicable deductible regarding their insurance coverage.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

SECTION 9.1. Mandatory Indemnification of Directors and Officers. The Association shall indemnify each Director and each officer of the Association now or hereafter serving as such, who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, including a derivative action by, or in the right of, the Association, by reason of the fact that he is or was a Director, officer, or agent of the Association or is or was serving as the request of the Association as a director, officer, employee or agent of another domestic or foreign Association (for profit or not-for-profit), partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, including any appeal thereof, if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interest of the Association. However, no indemnification shall be made in respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duties to the Association except to the extent that the court in which such action or suit was brought shall determine upon application as deemed property by such court that, despite the adjudication of liability but in view of all the circumstances of the cases, such person is fairly and reasonably entitled to indemnity for all or a portion of such expenses. Indemnity shall be only provided with respect to any criminal action or proceeding which the director or official had no reasonable cause to believe was unlawful.

SECTION 9.2. Mandatory Advancement of Expenses to Directors and Officers. The Association shall pay expenses (including attorneys' fees) incurred by a Director or Officer of the Association referred to in Section 9.1 hereof in defending or appearing as a witness in any civil or criminal action, suit or proceeding described in Section 9.1 hereof in advance of the final disposition of such action, suit or proceeding, only upon receipt of an undertaking by or on behalf of such Director or officer to repay all amounts advanced if it shall ultimately be determined that the Director or officer is not entitled to be indemnified by the Association as provided in Section 9.4 hereof. Advancement of such expenses shall be authorized by the Board of Directors.

SECTION 9.3. Permissive Indemnification and Advancement of Expenses. The Association may, as determined by the Board of Directors from time to time, indemnify, in full or in part, to the fullest extent now or hereafter permitted by law, any person who was or is or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that such person is or was an authorized representative of the Association or is or was serving at the request of the Association as a representative of another domestic or foreign Association (for profit or not-for-profit), partnership, joint venture, trust or other enterprise, both as to action in his official capacity and as to action in another capacity while holding such office or position, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in conjunction with such action, suit or

proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Association may, as determined by the Board of Directors from time to time, pay expenses incurred by any such person by reason of such person's participation in an action, suit or proceeding referred to in this Section 8.3 in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Association as provided in Section 9.4 hereof.

SECTION 9.4. Scope of Indemnification. Indemnification under this Article shall not be made by the Association in any case where a court determines that the alleged act or failure to act giving rise to the claim for indemnification is expressly prohibited by the NPCL or any successor statute as in effect at the time of such alleged action or failure to take action.

SECTION 9.5. Miscellaneous. Each Director and officer of the Association shall be deemed to act in such capacity in reliance upon such rights of indemnification and advancement of expenses as are provided in this Article. The rights of indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled under any agreement, vote of members, disinterested Directors, statute or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office or position, and shall continue as to a person who has ceased to be an authorized representative of the Association and shall inure to the benefit of the heirs, executors and administrators of such person. Any repeal or modification of this Article by the Board of Directors of the Association shall not adversely affect any right or protection existing at the time of such appeal or modification to which any person may be entitled under this Article.

SECTION 9.6. Definition of Authorized Representative. For the purposes of this Article, the term "authorized representative" shall mean a director, officer or employee of the Association or of any Association controlled by the Association, or a trustee, custodian, administrator, committee member or fiduciary of any employee benefit plan established and maintained by the Association or by any Association controlled by the Association, or person serving another Association, partnership, joint venture, trust or other enterprise in any of the foregoing capacities at the request of the Association. The term "authorized representative" shall not include money managers or investment advisors (or any employees thereof) hired by the Association, and shall not include agents of the Association unless indemnification thereof is expressly approved by the Board of Directors.

SECTION 9.7. Procedure for Approving Indemnification. Unless ordered by a court, any indemnification under this Article or the Nonprofit Corporation Act shall be made only following a determination that the indemnification is proper in the circumstances because the person seeking indemnification has met the applicable standard of conduct. Such determination shall be made:

- (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not party to the action or proceeding; or
- (b) if such a quorum is not obtainable, or if obtainable but a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

ARTICLE ~~VHX~~

ADMINISTRATION OF ASSOCIATION FINANCES AND TAX-EXEMPT OBLIGATIONS

SECTION 10.1 Fiscal Year and Budget. The fiscal year of the Association shall be the ~~calendar~~ year (~~January 1 – December 31~~ ~~March 1st – February 28th~~). The Board shall approve the annual budget for the forthcoming year by ~~December 31~~ ~~March 1st~~ of each year.

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SECTION 10.2 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, and other depositories as the Board may select. Funds not needed for current fiscal year operations shall be prudently invested by decision of the Board in low-risk income bearing accounts, mutual funds, government securities, and similar investments.

SECTION 10.3 Checks and Drafts. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by the Treasurer or President, or by such other officer as the Board by appropriate resolution directs.

SECTION 10.4 Loans and Indebtedness. Except as otherwise provided in these Bylaws, the Board may by resolution authorize any officer of Member of the Association to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized, no Officer or Member shall have any power or authority to bind the Association by any contract by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount. A two-thirds affirmative vote of the board is needed for the Association to spend in excess of five thousand dollars (\$5,000) from the Association's holdings, incur debt, or pledge any property as security.

SECTION 10.5. No Private or Political Beneficiaries. In keeping with the statement of purpose of the Association as set forth in its Articles of Incorporation, no part of the net earnings or assets of the Association shall inure to the benefit of any private individual, and no substantial part of the activities of the Association shall be used for lobbying nor shall the Association

engage in any political campaign activities on behalf of or in opposition to any candidate for public office.

SECTION 10.6. No Violation of Purposes. In no event and under no circumstances shall the Board of Directors make any distribution or expenditure, engage in any activity, hold any assets, or enter into any transaction whatsoever the effect of which under applicable federal laws then in force will cause the Association to lose its status as an organization to which contributions are deductible in computing the net income of the contributor for purposes of federal income taxation.

SECTION 10.7. Tax Records. The Association shall maintain in the custody of the Treasurer a copy of its application for exemption and all tax returns filed with the Internal Revenue Service. To the extent required by law, such documents shall be made available during regular business hours for inspection by any person requesting to see them.

ARTICLE ~~IX~~XI

SEAL

SECTION 11.1. Seal. The Association shall have no seal.

ARTICLE XII

AMENDMENT OF BYLAWS

SECTION 12.1. Amendments. These Bylaws may be amended with the affirmative vote of not less than two-thirds of the Directors present at any regular or special meeting of the Board at which a quorum is present.

ARTICLE XIII

FORCE AND EFFECT OF BYLAWS

SECTION 13.1. Order of Authority. These Bylaws are subject to the provisions of the New York Nonprofit Corporation Act (the "Act") and the Association's Articles of Incorporation as they may be amended from time to time. If any provision of these Bylaws is inconsistent with a provision in the Act or the Articles of Incorporation, the provision of the Act or the Articles of Incorporation shall govern to the extent of such inconsistency.