

BY - LAWS

of

NORTH COUNTRY ALLIANCE
LOCAL DEVELOPMENT CORPORATION

ARTICLE I. - INCORPORATION

This corporation was incorporated under Section 1411 of the Not-for-Profit Corporation Law of the State of New York by the filing of a Certificate of Incorporation in the Office of the New York State Department of State on July 13, 1988.

ARTICLE II. - PURPOSES

As stated in the Certificate of Incorporation, the purposes for which this corporation was formed are: to relieve and reduce unemployment, to promote and provide for additional and maximum employment, to better and to maintain job opportunities, to instruct or train individuals to improve or to develop their capabilities for jobs, to carry on scientific research for the purpose of aiding a community or geographical area by attracting industry and commercial enterprise to the area or by encouraging the development of, or retention of, industry and commercial enterprise in the area, to lessen the burdens of government and to act in the public interest.

To carry out these purposes, the corporation serves as a consortium of public and private sector interests working to support economic development in New York's seven-county North Country region. Its role is to offer a single point of access to the resources needed to expand or locate a business in the North Country.

The territory in which the operations of this corporation are principally to be conducted is Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis and St. Lawrence Counties and such territory in proximity to those counties in which the use of the corporation's funds will have a substantial positive impact on the economic welfare and prosperity of the aforementioned counties and their inhabitants.

ARTICLE III. - MEMBERSHIP

Section 1. - Qualifications. Membership is open to any individual, organization, or enterprise interested in furthering the purposes of the organization as defined in Article II, above.

Section 2 - Requirements for Membership. Active membership status requires the payment of dues designated by the Board of Directors as described in Article VII below. An organization that becomes a Member shall designate in writing from time to time to the Secretary or the Secretary's designee who among its employees and/or associates will represent it among the Corporation's members. Unless a Member organization takes action on its own initiative to change its designee, the Corporation shall assume that the organization's last designee of record continues to represent the organization in Corporation business.

Section 3 – Resignation. Any member may withdraw from the Corporation at anytime by giving written notice to the Board of Directors.

Section 4 – Expulsion. A member may be expelled for cause, such as violation of any of the Bylaws or Rules of the Corporation, or for conduct prejudicial to the best interests of the organization. Expulsion shall require a three-fourths vote of the members of the Board of Directors, provided that a statement of the charges have been mailed to the affected member at least 15 days before final action is taken thereon. This notice will include the time and place where the Board of Directors is to take action, and the member shall be provided an opportunity to present a defense at the time and place indicated in the said notice.

Section 5 - Rights of Members.

Property Rights. No Member of the corporation shall have any right or interest in or to the property or assets of the corporation. All property and assets of the corporation shall be solely subject to the direction, control of and expenditure by the Board of Directors. Should the corporation be liquidated or dissolved or otherwise cease business, the property and assets of the corporation shall be distributed for the corporate purposes as provided in the Certificate of Incorporation in accordance with the direction of a majority of the then qualified and acting directors present at any meeting duly called for such purpose, and without other affirmative action by the Members.

Section 6 - Annual and Special Membership Meetings.

Annual Membership Meeting. There shall be an annual meeting of the Membership during the month of June for reviewing annual reports of officers, directors and committees, for electing Directors of the Corporation, and for transacting such other business as may be necessary and convenient. Written notice of the annual meeting shall be given to each Member no fewer than ten (10) nor more than thirty (30) days before the date of the meeting. All notices of meetings shall set forth place, date and time. The Members present shall constitute a quorum.

Special Meetings. A Special Meeting of the Membership may be called by the President, by a simple majority of the Board's full membership or by petition of ten (10) members. Notice of a Special Meeting shall be given to each member at least five (5) days before the date of the meeting. No business other than that specified in the notice shall be transacted at any Special Meeting.

ARTICLE IV. - DIRECTORS

Section 1 - Board of Directors. The Board of Directors shall consist of 17 voting members, all of whom must be or must represent Members in good-standing of the Corporation. All power and authority of the Corporation shall be vested in the Board of Directors. Directors shall represent a diverse and regional perspective to economic development. The Membership shall choose at least one (1) resident, county-level economic development professional from each of the principle counties. Ten additional directors will be elected generally by the Membership and will represent a diverse and regionally-balanced perspective to economic development.

Section 2 – Election and Terms of Directors. The Directors of the Corporation shall be individual persons and shall be elected by a majority vote of the Membership present at the annual meeting from among the Membership in good standing to serve, except as provided elsewhere in this Article, for terms of 3 years. Failure of any Director to attend three (3) consecutive, duly called meetings may, after having been given the notice of his/her deficiency and an opportunity to defend his/her conduct, may be cause for termination of his/her Board membership upon a majority vote of those Directors present and voting at a meeting of the Board of Directors called as required in Section 4 of this Article. In the event that a Director resigns, or is otherwise unable or unwilling to fulfill; his/her responsibilities during his/her term, a majority of those present at a regularly scheduled Board meeting, abiding by the requirements outlined in the previous section, may designate a person to serve out the Director’s remaining term. That person will serve until the next annual meeting at which time a regularly nominated candidate shall be elected by the Membership to serve the remainder of the term of the original Director.

Nothing in these bylaws shall be construed as preventing a Director from being re-elected for multiple terms. All Directors shall continue in office until their successors have been duly elected and qualified.

When a person elected to the Board of Directors, who represents a Member organization, resigns or is replaced as Director as provided in these bylaws, then nothing in these bylaws should be construed as either requiring or prohibiting that another person associated with the same organizational Member may succeed to the Director’s position.

Section 3 - Annual Board of Directors Meeting. The annual meeting of the Board of Directors shall be held in June of each year, or at the discretion of the Board. At the call of the President regular or special meetings may be held at any time or place within the service area. Special meetings may be called either by the President at his/her volition or by the Board of Directors at its discretion. In the latter case, upon the written request of two of its members, the President of the Board of Directors shall call a special meeting to consider a specific subject.

Section 4 - Notice of Meetings. Notice of the annual, regular, or special meetings of the Board shall be deemed sufficient if deposited in the mail not less than ten days nor more than thirty days before the meeting or, subject to the exceptions noted below, if noticed to members via email no fewer than seven days before the meeting. Supplementary meeting materials may be distributed via email attachments or placed on an accessible website (coupled with email notice and directions for access) for members’ inspection regardless of the method of meeting notice. No business other than that specified in the notice of meeting shall be transacted at any special meeting of the Board of Directors, except upon unanimous consent of all those Board members attending such a meeting.

Section 5 - Waiver. Notice of meeting may be waived by a member, in writing, orally, or by attendance at the meeting.

Section 6 - Quorum. Fifty-one percent (51%) of Directors then in office and present shall constitute a quorum for the transaction of business. Each Director gets one vote on the Board. All voting by Directors must be in person; no proxy voting is permitted. Notwithstanding Section 8 of this Article, the Board, at its sole discretion, may also from time to time require that all or part of the required quorum be present *in person* for a meeting to be official and for action to be taken.

Section 7 - Order of Business. The President shall establish an order of business.

Section 8 - Remote Participation. Article VIII below allows the Board of Directors, or of any of its committees, to be held via conference call and/or video conference technology. Only the annual meeting of the Board of Directors may not be conducted via these meeting methods. All other meetings conducted via these methods shall be considered official meetings provided that they are noticed to the members in the same fashion as specified elsewhere in these bylaws.

Section 9 – Remote Voting. The President or Committee Chairs may conduct votes by mail, fax, or email to the members of the Board or Committees on any questions which the President, the Board of Directors or any of the Board’s standing committees have determined to be a matter of importance to the organization and on which timely action is required. For such votes to be binding, written notice of the resolution to be considered shall be mailed, emailed, or faxed to the last recorded address of each member at no fewer than five (5) and not more than twenty (20) days prior to the last day on which returned ballots or faxed replies must be dated. The notice shall clearly identify the last day on which returned ballots must be dated in order to be valid. For votes by mail, fax, or email to be valid, at least fifty (50) percent of the members of the Board or the respective committee must return ballots marked either aye or nay and passage of resolutions shall be by a majority of those respondents voting aye or nay. Ballots returned unmarked shall be deemed to have been unreturned.

Section 10 – Board Member Compensation. Directors shall serve without compensation. All directors may be reimbursed for reasonable expenses incurred in performance of corporate duties

ARTICLE V. – OFFICERS AND CLOSING AGENT

Section 1 - Officer Designated. The officers of the corporation shall be elected by the Board of Directors at their annual meeting to serve until the following year's annual meeting. One person may hold more than one office, except that one person may not at the same time be President and Secretary. The officers shall be a President, Vice-President, Treasurer, Secretary, and. A Closing Agent may, from time to time, be designated by the Board.

Section 2 - Duties of the President. The President shall preside at all meetings of the Members and the Board of Directors; shall call annual, regular, and special meetings of the Members and Directors in accordance with these by-laws; shall appoint and remove, employ and discharge, and oversee all servants, agents, employees and clerks of the corporation; shall see that all books, reports, statements and certificates required by statute are properly kept, made and filed according to law; may sign, make and endorse in the name of the corporation, and in accordance with resolutions of the Board of Directors, all checks, drafts, warrants and orders for the payment of money, and pay

out and dispose of the same and receipt thereof; and shall enforce these By-laws and perform all other duties incident to the office of President.

Section 3 - Duties of Vice President. The Vice President shall, during the absence or disability of the President, perform his/her duties or exercise his/her powers, as set forth in these by-laws or in the law under which this corporation is organized, and when so acting, the Vice President shall have all powers and be subject to all the responsibilities hereby given to or imposed upon the President.

Section 4 - Duties of Treasurer. The Treasurer shall have the care and custody of and be responsible for all funds and securities of the corporation and shall deposit the same in the name of the corporation, in such banks, trust companies or safe deposit vaults as the Board of Directors may designate; may sign, make and endorse in the name of the corporation, and in accordance with resolutions of the Board of Directors, all checks, drafts, warrants and orders for the payment of money and pay out and dispose of the same and receipt thereof; shall exhibit at all reasonable times his/her books and accounts to any Director upon application at the office of the corporation during business hours; shall present a report of the financial condition and receipts and disbursements for the preceding period at each regular meeting of the Board of Directors, and at such other meetings as shall be required of him/her; shall keep at the office of the corporation correct books of account of all its business and transactions and such other books of account as the Board of Directors may direct; and shall do and perform all other duties incident to the office of Treasurer. By resolution, the Board of Directors may contract for the performance of these services with a third party.

Section 5 - Duties of Secretary and Assistant Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors in appropriate books; shall give and serve all notices required by law or by these By-laws; shall be custodian of the records and seal of the corporation and shall affix the latter when required by the Board of Directors; shall lay before the members and the Board of Directors at the meetings all communications addressed to him/her officially by the President or any officer or member of the corporation; may sign, make and endorse in the name of the corporation, and in accordance with resolutions of the Board of Directors, all checks, draft, warrants and orders for the payment of money, and pay out and dispose of the same and receipt thereof; and shall attend to all correspondence and perform all other duties incident to the office of Secretary.

Section 6 - Duties of the Closing Agent. The Closing Agent, in accordance with resolutions of the Board of Directors and at the direction of the President, shall serve as a substitute for the President in managing the Corporation's official business related to making and servicing loans from the Corporation's revolving loan fund(s) (if any). In particular, the Closing Agent shall be responsible for managing loan fund closings and the Closing Agent, or his/her designee, shall have the power to execute loan documents on behalf of the President and the Corporation. The Corporation may designate an individual who is not a member of the Board of Directors of the Corporation to serve as Closing Agent.

Section 7 - Surety Bond. Any officer or employee shall, if required by the Board of Directors, give to the corporation such security for the faithful discharge of his/her duties, as the Board may require.

ARTICLE VI. - COMMITTEES

Section 1 – Executive Committee. The Executive Committee shall consist of the officers of the Corporation which will include the President, Vice President, Secretary, and Treasurer. The Executive Committee shall exercise the powers of the Board of Directors in the interim between

meetings of the directors with general power to discharge the duties of the Board of Directors except as such power from time to time may be limited by the Board.

Section 2 - Loan Review Committee. The Board of Directors shall elect a Loan Review Committee, to serve at the pleasure of the Board. The Loan Review Committee will have the responsibility for reviewing and recommending action on applications to the North Country Alliance Regional Revolving Loan Fund to the Board of Directors. The Loan Review Committee will consist of at least seven members and will be comprised of the following or their designees: (a) at least three regional bank officers; (b) three representatives of the business community; and (c) the Empire State Development Regional Director or his/her designee. Unless the Board of Directors determines otherwise, members of the Loan Review Committee will serve three year terms, or until their successors have been appointed. The Board of Directors may vary the terms of the Loan Review Committee's members after adoption of these bylaws in order to stagger the members' terms to ensure continuity. The Committee shall elect its own Chair and set its own procedures. The Committee shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner. The Committee is charged with receiving and reviewing all applications for loans and loan modifications from the Corporation's loan fund(s) (if any) and with forwarding timely recommendations to the Board of Directors on whether to make or reject loans or loan modifications from the fund(s). In addition, the Board of Directors may authorize the Committee to negotiate conditions attached to loans and loan modifications and to determine whether such conditions have been met prior to advising the President or Closing Agent to execute legal documents related to such loans or loan modifications.

Section 3 – Communications Committee. The Board of Directors shall constitute a Communications Committee from among the general membership. The Communications Committee shall elect its own Chair and set its own procedures. The Communications Committee shall have the authority to develop and execute marketing plans on behalf of the Corporation and to recommend the authorization to spend monies from the communications fund to the Board of Directors. The Committee shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner.

Section 4 – Education and Outreach Committee. The Board of Directors shall constitute an Education and Outreach Committee from among the general membership. This Committee shall identify common issues to rural communities across the North Country region, communicate those issues to the Board of Directors and the general membership, and lead the development of legislative priorities that represent the interests of the North Country region. The Committee shall elect its own Chair and set its own procedures. It shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner.

Section 5 – Audit/Finance Committee. The President shall appoint three (3) board members to the Audit/Finance Committee, who shall select a Chair from amongst themselves. The Audit/Finance Committee shall review annual budgets and audits of the Corporation, review auditors and investments on a regular basis, and oversee the overall financial stability of the Corporation. The Committee shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner.

Section 6 – Governance Committee. The Board of Directors itself shall constitute the Governance Committee. The Governance Committee shall be responsible for reviewing and recommending revisions to the Corporation's bylaws, policies, and operating procedures..

Section 7 – Nominating Committee. The Board of Directors shall constitute a Nominating Committee, which may include Members as well as Directors, to identify a slate of directors to be presented to Membership for vote at its annual meeting. The Nominating Committee shall also be responsible for nominating candidates to fill vacancies as provided in Article IV, Section 2. The Nominating Committee shall elect its own Chair and set its own procedures. The Committee shall keep minutes of its deliberations and forward them to the Board of Directors in a timely manner.

Section 8 – Ad Hoc Committees. Ad Hoc Committees may be established by the President of the Board of Directors to carry-forth business of the Corporation. Ad Hoc Committees will function for the duration of the activity and may be dissolved by the President at any time. Ad Hoc Committees shall elect their own Chairs, unless otherwise appointed by the president, and set-its their own procedures. Ad Hoc Committees shall keep minutes of their deliberations and forward them to the Board of Directors in a timely manner.

ARTICLE VII. - DUES

Section 1 - Annual Dues. Annual dues shall be established by the Board of Directors.

Section 2 - Payment of Dues. Dues shall be payable annually on the anniversary of the same date as the first payment made by the member. For all members who were previously pro-rated to the first of January for payment, their due date will remain January 1 annually. .

Section 3 - Default and Termination of Membership. When any member shall be in default in the payment of dues for a period of three months from the beginning of the fiscal year or a period for which such dues became payable, his/her membership may thereupon be terminated by the Board of Directors.

Section 4 – Fiscal Year. The Corporation’s fiscal year is the calendar year.

ARTICLE VIII. - MEETING BY COMMUNICATION EQUIPMENT

Subject to the exceptions described in Article IV, Sections 8 and 9 above, and pursuant to Section 708(c) Not-For-Profit Corporation Law as amended, any one or more members of the Board of Directors or any of its committees may participate in a meeting by means of a conference telephone or similar communications equipment allowing all participants to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

ARTICLE IX. - INDEMNIFICATION

To the fullest extent now or hereafter provided for or permitted by law, the directors and/or officers of the corporation shall not be liable to the corporation or third parties for damages for any breach of their duties as directors and/or officers and the corporation shall indemnify such directors and/or officers against all reasonable expenses, including but not limited to attorney's fees, which are incurred by such director or officer, actually and necessarily in connection with the defense of any claim against such director or officer which shall arise as a result of that person's actions in the capacity of a director or officer of the corporation.

ARTICLE X. - AMENDMENTS

These By-laws may be amended, repealed, superseded or altered in whole or in part by a majority vote at any duly organized meeting of the Corporation's Membership. The proposed change shall be mailed to the last recorded address of each Member at least ten (10) days before the time of the meeting which is to consider the change.

Adopted: 10/30/09

Revised: 6/15/10

Second revision: 6/15/11

Third revision: 6/25/12

Fourth revision: 6/18/14

Fifth revision: 12/17/14

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