

AGENDA and MEETING NOTICE

**Industrial Development Agency
Governance and Uniform Policies and
Guidelines Committee Meeting
8:30 a.m. IDA Conference Room
April 27, 2016**

Members: John Ryan, Chairman
Fred Parola, Bill Weir, Jonathan Kohan, Ted Sasso, Ray Maguire and Edie Longo

- Consideration of Agency Bylaws
- Consideration of Agency's Retail Policy
- Consideration of Code of Conduct/Whistleblower
- Consideration of Travel Policy
- Consideration of Updated Agency Committees

4/20/16

BYLAWS
OF
TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

ARTICLE 1 - THE AGENCY

Section 1. Name. The Agency shall be known as the Town of Hempstead Industrial Development Agency.

Section 2. Seal. The Agency seal 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. The office of the Agency shall be located at 350 Front Street, Hempstead, New York or such other town facility as the Agency may designate, from time to time, by resolution

ARTICLE II - BOARD

Section 1. Power of the Board and Qualification of Members: The Agency shall be overseen and governed by its Board acting through its Members who shall exercise oversight and control over the officers and staff of the Agency. Each Member shall be at least eighteen years of age and each Board Member shall be appointed by the Town of Hempstead Town Board (the "Appointing Authority"). The Board and its Members shall have all powers conferred on Board Members of public benefit corporations and local public authorities pursuant to New York State law, including, without limitation, the IDA Act, the Agency's Enabling Act, the Public Authorities Accountability Act of 2005 (the "PAAA"), the New York General Municipal Law (the "NYGML"), the New York Public Officers Law (the "NYPOL"), and any other New York State Law that is applicable to the Agency.

Section 2. Number of Members and Term of Office. The Board shall consist of seven (7) Members, appointed by the Appointing Authority. Each Member shall serve at the pleasure of the Appointing Authority and continue to hold office until his or her successor is appointed and has been qualified. As used in this Article, "entire Board" means the total number of Members who have been appointed by

the Appointing Authority and entitled to vote which the Agency would have if there were no vacancies.

(b) No Member of the Board, including the Chair, shall serve as the Agency's Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Comptroller, or hold any other equivalent executive position or office while also serving as a Member of the Board.

(c) As soon as practicable and in compliance with Section 2825 of the Public Authorities Law, the majority of the Members of the Board shall be Independent Members, as such term is defined in paragraph (d) below.

(d) Independence. For the purposes of these By-laws, an Independent Member is one who:

(i) is not, and in the past two (2) years has not been, employed by the Agency or another corporate body having the same ownership and control of the Agency in an executive capacity;

(ii) is not, and in the past two (2) years has not been, employed by an entity that received remuneration valued at more than fifteen thousand dollars (\$15,000.00) for goods and services provided to the Agency or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000.00) from the Agency;

(iii) is not a relative of an executive officer or employee in an executive position of the Agency or another corporate body having the same ownership and control of the Agency; and

(iv) is not, and in the past two (2) years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Agency or another corporate body having the same ownership and control of the Agency.

(e) At each Annual Meeting of the Board, the Members of the Board shall elect the officers of the Board, consisting of the Chair, one or more Vice Chairs, the Treasurer, one or more assistant Treasurers, the Secretary, and one or more Assistant Secretaries, each to hold office until the next Annual Meeting and until their successors have been elected and qualified. Each officer of the Board shall also be a Board Member, except that the Executive Director and the Deputy Executive Director of the Agency may be appointed as Assistant Secretaries of the Agency.

- (f) Each Member shall have one vote.

Section 2.A Membership for Projects in the Villages of Freeport and Hempstead

(a) When reviewing applications and approving PILOT Agreements for projects located solely in the Village of Freeport or the Village of Hempstead, in addition to the seven (7) members appointed by the Town of Hempstead, the board as required by statute, shall include at least one member of such village governing body and at least three (3) at-large members who are residents of the Village.

(b) Such members appointed by the Village shall participate in the discussion, consideration and vote as a member of the Industrial Development Agency Board solely with respect to such an application and proposed PILOT.

(c) Such village appointees shall be subject to all other rules and regulations governing the appointment of Members of the IDA appointed by the Town of Hempstead as set forth in the By-Laws of the Town of Hempstead Industrial Development Agency. In addition, all members appointed by the Village are required to undertake board training as required by the PAAA and the General Municipal Law.

Section 3. Organization. At each meeting of the Board, the Chair, or, in the absence of the Chair, a Vice Chair shall preside, or in the absence of either of such officers, a chair chosen by a majority of the Members present shall preside. The Secretary shall act as secretary of the Board. In the event the Secretary shall be absent from any meeting of the Board, an Assistant Secretary shall act as the secretary for such meeting.

Section 4. Resignations and Removal of Members.

(a) Any Member of the Agency may resign at any time by giving written notice to the Chair or to the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery; provided, however, such Member shall continue to serve until his or her successor has been appointed and qualified.

(b) Any or all of the Members may be removed at any time by the Appointing Authority.

Section 5. Action by the Board.

(a) Except as otherwise provided by law or in these By-laws, the act of the Board means action taken at a meeting of the Board by vote of a majority of the Members present at the time of the vote, if a quorum is present at such time.

(b) The voting on all questions coming to the Agency shall be by roll call, 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.

Section 6. Place of Meeting The Board may hold its meetings at 350 Front Street, Hempstead, New York, or at such place or places within the State of New York as the Board may from time to time by resolution determine.

Section 7. Annual Meetings. The annual meeting of the Agency shall be held on the fourth Wednesday of January in each calendar year, at 9:00 a.m. at the regular meeting place of the Agency as described in Section 6 of this Article II. Such first meeting may be held at any other time; and if it is held at another time, notice shall be given as hereinafter provided for special meetings of the Board.

Section 8. Regular Meetings. Regular meetings of the Board may be held without notice at such times as may be fixed from time to time by resolution of the Board.

Section 9. Special Meetings. Special meetings of the Board shall be held whenever called by the Chair or in the absence of the Chair by a Vice Chair, or by any two (2) of the Members. Notice shall be given orally, by telefax, or by mail and shall state the purposes, time and place of the meeting. If notice is given orally, in person or by telephone, it shall be given not less than two (2) days before the meeting; if it is given by telefax or by mail, it shall be given not less than three (3) days before the meeting. At such special meeting no business shall be considered other than that designated in the notice, but if all Members are present at a special meeting, with or without notice thereof, any and all business may be transacted at such meeting.

Section 10. Waivers of Notice. Notice of a meeting need not be given to any Member who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

Section 11. Quorum.

(a) A majority of the entire Board of shall constitute a quorum for the transaction of business.

(b) A majority of the Members present, whether or not a quorum is present, may adjourn any meeting to another time and place without notice to any Member.

Section 12. Compensation. Members shall receive no compensation for their services but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

Section 13. Annual Independent Audit. The Audit Committee shall present to the Board upon its completion, the annual independent audit report performed in accordance with the requirements of the IDA Act, the PAAA, the NYGML, The Authority Budget Office and generally accepted government auditing standards certified by a firm of independent public accountants selected by the Board pursuant to Section 1 of Article III of these By-laws. The certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

- (i) the assets and liabilities, including the status of reserve, depreciation, special or other funds including the receipts and payments of such funds, of the Agency as of the end of the fiscal year;

- (ii) the principal changes in assets and liabilities, including trust funds, during said fiscal period;

- (iii) the revenue or receipts of the Agency, both unrestricted and restricted to particular purposes during said fiscal period;

- (iv) the expenses or disbursements of the Agency for both general and restricted purposes, during said fiscal period; and

- (v) a schedule of the bonds and notes of the Agency outstanding during said fiscal period, including all refinancings, calls, refundings, defeasements, and interest rate exchange or other such agreements, and for any debt issued during the fiscal period, together with a statement of the amounts redeemed and incurred during such fiscal period as a part of a schedule of debt issuance that include the date of issuance, term, amount, interest rate, means of repayment and cost of issuance.

Furthermore, the certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

- (i) all critical accounting policies and practices to be used;

(ii) all alternative treatments of financial information within generally accepted accounting principals that have been discussed with the management of the Agency, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the certified independent public accounting firm;

(iii) other material written communications between the certified independent public accounting firm and the management of the Agency, such as the management letter along with management's response or plan of corrective action, material corrections identified or schedule of unadjusted differences, where applicable.

ARTICLE III - COMMITTEES

Section 1. Audit Committee. There shall be an Audit Committee consisting entirely of Independent members, who shall be elected by a plurality of the votes cast by the members of the Agency at each Annual Meeting and shall serve until the next Annual Meeting. To the extent practicable, members of the Audit Committee should be familiar with corporate financial and accounting practices. The Audit Committee shall recommend to the Board the hiring of a certified independent accounting firm in compliance with the Public Authorities Law of New York State to conduct the annual independent audit, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the annual independent audit

Section 2. Governance Committee. There shall be a Governance Committee consisting entirely of Independent members, who shall be elected by a plurality of the votes cast by the members of the Agency at each Annual Meeting and shall serve until the next Annual Meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Agency's corporate governance principles, and advise the Appointing Authority on the skills and experience required of potential members.

Section 3: Finance Committee. The Finance Committee shall consist of three (3) Independent Members and shall be responsible to review all proposals for the issuance of debt by the IDA and to assist in the creation of a four-year financial plan for the Agency.

Section 4. Other Committees. The Board may from time to time designate other committees as it deems necessary and desirable to assist the Agency to perform its duties in accordance with applicable law, including, without limit, a finance committee and a marketing committee. Each such committee created by the

Board shall consist of such persons and shall have such authority as is provided in the resolution designating the committee.

Section 5. Meetings. Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chair of the Board or the chair of such committee upon the advice and consent of all of the Members of the Board or the Members of such committee.

Section 6. Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board, a majority of all of the Members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of all of the Members of the committee shall be the act of the committee.

The procedures and manner of acting of the committees of the Board shall be subject at all times to the directions of the Board.

Section 7. Tenure of Member of Committees of the Board. Each committee of the Board and every member thereof shall serve at the pleasure of the Board.

Section 8. Alternate Members. The Board may designate one (1) or more members as alternate members of any standing committee of the Board, who may replace any absent member or members at any meeting of such committee.

ARTICLE IV - BOARD OFFICERS

Section 1. Officers. The Officers of the Agency's Board shall be a Chair, one (1) or more Vice Chairs, a Treasurer, a Secretary and/or such other officers as the Board may in its discretion determine, including an Assistant Secretary who shall be the Chief Executive Officer of the Agency and an Assistant Treasurer who shall be the Chief Financial Officer of the Agency. Any two (2) or more offices may be held by the same person, except the offices of Chair and Secretary.

Section 2. Term of Office and Qualifications. Those officers whose titles are specifically mentioned in Section 1 of this Article IV shall be elected by the Board at its Annual Meeting. Unless a shorter term is provided in the resolution of the Board electing such officer, the term of office of each officer shall extend to the next Annual Meeting and until the officer's successor is elected and qualified. The Chair shall be elected from among the Members.

Section 3. Additional Officers. Additional officers may be elected for such period, have such authority and perform such duties, either in an administrative or subordinate capacity, as the Board may from time to time determine.

Section 4. Removal of Officers. Any officer may be removed by the Board with or without cause at any time.

Section 5. Resignation. Any officer may resign his or her position as an officer at any time by giving written notice to the Board, to the Chair or to the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time be specified, then upon delivery.

Section 6. Vacancies. A vacancy in any office shall be filled by the Board.

Section 7. Chair. The Chair shall preside at all meetings and of the Board at which the Chair is present. In the absence or incapacity of the Executive Director/Chief Executive Officer of the Agency or the Deputy Executive Director/Chief Financial Officer, and except as otherwise authorized by resolution of the Board, the Chair shall execute all agreements, contracts, deeds, and any other instruments of the Agency. At each meeting, the Chair shall submit recommendations and information as he or she may consider proper concerning the business, affairs, the bonds, the projects and facilities of the Agency, the economic benefits to be conferred on project applicants and occupants, and the policies of the Agency. Nothing in the provision shall be construed as granting the Chair the exclusive right to bring matters before the Agency for consideration.

Section 8. Vice Chairs. In the absence or incapacity to act of the Chair, or if the office of Chair be vacant, the Vice Chair or, if there be more than one Vice Chair, the Vice Chairs in order of seniority as determined by the Board, shall preside at all meetings of the Board, and shall perform the duties and exercise the powers of the Chair, subject to the right of the Board from time to time to extend or confine such powers and duties or to assign them to others. Each Vice Chair shall have such powers and shall perform such other duties as may be assigned by the Board or the Chair.

Section 9. Treasurer. The Treasurer shall, if required by the Board, obtain a bond for the faithful discharge of his or her duties, in such sum and with such sureties as the Board shall require. The Treasurer shall oversee the Deputy Executive Director/Chief Financial Officer of the Agency and shall review all the books and accounts of the Agency and shall advise the Deputy Executive Director/Chief Financial Officer of the Agency with respect to the charge, custody and investment of all funds and securities of the Agency, and the Treasurer shall ensure the proper deposit by the Deputy Executive Director/Chief Financial Officer of the Agency all such funds in the name of and to the credit of the Agency in such banks, trust companies, or other depositories as shall be selected by the Board. The Treasurer shall also perform all other duties customarily incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board.

Section 10. Assistant Treasurer. The Assistant Treasurer shall carry out the duties of the Treasurer in the absence of the Treasurer.

Section 11. Secretary. It shall be the duty of the Secretary to act as secretary of all meetings of the Board, and to keep the minutes of all such meetings in a proper book or books to be provided for that purpose; the Secretary shall see that all notices required to be given by the Agency are duly given and served; the Secretary shall keep a current list of the Members and officers of the Agency's Board and their residence addresses; the Secretary shall be custodian of the seal of the Agency and shall affix the seal, or cause it to be affixed, to all agreements, documents and other papers requiring the same. The Secretary shall have custody of the minute book containing the minutes of all meetings of Members, the Executive Committee, and any other committees which may keep minutes, and of all other contracts and documents which are not in the custody of the Treasurer of the Agency, or in the custody of some other person authorized by the Board to have such custody.

Section 12. Assistant Secretary. The Assistant Secretary shall carry out the duties of the Secretary in the absence of the Secretary.

Section 13. Appointed Officers. The Board may delegate to any officer or committee the power to appoint and to remove any subordinate officer, agent or employee.

ARTICLE V - EXECUTIVE OFFICERS AND OTHER PERSONNEL

Section 1. Chief Executive Officer. The Agency shall appoint an Executive Director by resolution, which resolution shall set the Executive Director's annual compensation.

Section 2. Duties and Responsibilities of Executive Director and Chief Executive Officer. The Executive Director shall be the Chair and Board of the Agency and he or she shall have general supervision and management of the Agency and all Agency staff and employees shall report directly to the Executive Director/Chief Executive Officer. Except as may otherwise be authorized by a resolution adopted by the Board, the Executive Director/Chief Executive Officer shall:

(a) Execute all agreements, bonds, notes, contracts, agreements, deeds, leases and any other instruments of the Agency.

(b) sign all financial instruments and checks.

(c) Cosign all purchase orders and instruments and checks over certain dollar thresholds as may be established from time to time by the

Board. Said instruments may be countersigned by the Deputy Executive Director/CFO, or other officer or Board Member as shall be designated by the Board.

(d) Shall prepare the annual budget of the Agency with the consultation and cooperation of the Audit Committee, CFO and DFO for submission to the Board for approval.

(e) Sign all purchase orders, under the direction of the board by resolution and the CFO.

Furthermore, the Executive Director/Chief Executive Officer shall assist the Chairman with such matters as the Chairman or the Board may request in furtherance of the Agency's public purposes. The Executive Director/Chief Executive Officer shall be charged with leading the Agency in carrying out its Mission Statement and fulfilling its public purposes under the IDA Act and the PAAA. The Executive Director/Chief Executive Officer shall also perform all other duties customarily incident to the office of a Chief Executive Officer of a public benefit corporation and public authority of the State of New York and such other duties as from time to time may be assigned by the Board.

Section 3. Chief Financial Officer. The Agency shall appoint a Deputy Executive Director by resolution, which resolution shall set the Deputy Executive's annual compensation.

Section 4. Duties and Responsibilities of Deputy Executive Director and Chief Financial Officer. The Deputy Executive Director shall be the Chief Financial Officer of the Agency. In the absence or incapacity of the Executive Director/Chief Executive Director, the Deputy Executive Director/Chief Financial Officer shall exercise the duties and responsibilities of the Executive Director/Chief Executive Officer. Except as may otherwise be authorized by a resolution of the Board, if the office of the Executive Director/Chief Executive shall be vacant the Deputy Executive Director/Chief Financial Officer of the Agency shall be the Acting Executive Director/Chief Executive Officer of the Agency until such time as the Board has appointed a replacement Executive Director/Chief Executive Director. The Deputy Executive Director/Chief Financial Officer of the Agency shall assist the Executive Director/Chief Executive Officer in the carrying out of the Agency's Mission Statement and in fulfillment of the Agency's public purposes under the IDA Act and the PAAA. The Deputy Executive Director/Chief Financial Officer shall oversee the maintenance of the books and accounts of the Agency. The Deputy Executive Director/Chief Financial Officer shall also perform all other duties customarily incident to the office of a Chief Financial Officer of a public benefit corporation and public authority of the State of New York and such other duties as from time to time may be assigned by the Board. The Deputy Executive Director/Chief Financial Officer shall be the

Chief Compliance Officer of the Agency for purposes of ensuring that the Agency is in full compliance with all provisions of the PAAA applicable to the Agency and the IDA Act. The Deputy Executive Director/Chief Financial Officer shall prepare and distribute all annual reports required by the IDA Act and the PAAA and as may otherwise be required by the Office of the Comptroller of the State of New York. The Deputy Executive Director/Chief Financial Officer of the Agency, shall assist the CEO, Deputy Financial Officer and Chair in preparing the annual budget of the Agency for submission to the Board for approval and he or she shall distribute all copies of the annual budget of the Agency to all persons required by the IDA Act and the PAAA. The Deputy Executive Director/Chief Financial Officer shall assist the Audit Committee of the Board in carrying out their functions. The Deputy Executive Director/Chief Financial Officer of the Agency shall be the Contracting Officer of the Agency for the disposition of real and personal property in accordance with the provisions of the PAAA. The Deputy Executive Director/Chief Financial Officer shall be the Freedom of Information Officer of the Agency in accordance with the provisions of the New York State Freedom of Information Law, Article 6 of the New York Public Officers Law.

Section 5. Deputy Financial Officer. The Agency shall appoint a Deputy Financial Officer by Resolution, which resolution shall set the Deputy Executive's Annual compensation.

Section 6. Duties and Responsibilities of Deputy Financial Officer. The Deputy Financial Officer shall be the assistant to the Chief Financial Officer of the Agency. The DFO of the Agency shall assist the Executive Director/CEO and CFO in carrying out the Agency's Mission Statement to fulfill the Agency's public purposes under the IDA Act and the PAA. The Deputy Financial Officer shall keep and maintain the books and accounts of the Agency and shall have charge and custody of, and be responsible for, all funds and securities of the Agency, and shall deposit all such funds in the name of and to the credit of the Agency in such banks, trust companies, or other depositories as shall be selected by the Board. The Deputy Financial Officer shall pay out and disburse such moneys under the direction of the CEO and the Deputy Executive Director/Chief Financial Officer. All such purchase orders and instruments and checks over certain dollar threshold as may be established from time to time by the Board shall be signed by the CEO or the Deputy Executive Director/Chief Financial Officer of the Board, or other officer or Board Member as shall be designed by the Board. The Deputy Financial Officer of the Agency shall assist the CEO and CFO of the Agency in the preparation of the annual budget of the Agency for submission to the Board for approval.

Section 7. Compliance Officer. The Agency shall appoint a Compliance Officer by resolution, who may be the Deputy Executive Director/Chief Financial Officer, or any other employee of the Agency. The Compliance Officer shall be responsible

for insuring that the Agency complies with all financial and other reporting requirements imposed by structure, including those requirements in the General Municipal Law and the Public Authorities Law of New York State. The Compliance Officer shall be the "Contracting Officer" (as such term is defined in Section 2895 of New York's Public Authorities Law).

Section 8. Additional Personnel. The Agency may from time to time employ such personnel as the Agency, upon the recommendation of the Executive Director/Chief Executive Officer, deems necessary to exercise the Agency's powers, duties and functions as prescribed by the IDA Act, the PAAA and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

Section 9. Municipal Personnel. The Agency may, with the consent of the IDA Board and the Town of Hempstead (the "Town"), use the agents, employees and facilities of the Town. In such event, the Agency will, by resolution, enter into a contract with the Town providing the terms upon which the Town will provide the use of its agents, employees and facilities to the Agency and the compensation, if any, that the Agency shall pay to the Town for the use by the Agency of the Town's agents, employees and facilities.

ARTICLE VI - CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

Section 1. Execution of Contracts. The Board, except as in these By-laws otherwise provided, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Agency to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; but, unless so authorized by the Board, or expressly authorized by these By-laws, no officers, agent or employee shall have any power or authority to bind the Agency by any contract or engagement or to pledge its credit or to render it liable pecuniarily in any amount for any purpose.

Section 2. Loans. No loans shall be contracted on behalf of the Agency unless specifically authorized by the Board.

Section 3. Checks, Drafts, etc. All checks, drafts and other orders for the payment of money out of the funds of the Agency, and all notes or other evidences of indebtedness of the Agency, shall be signed on behalf of the Agency in such manner as shall from time to time be determined by these By-laws or by resolution of the Board.

Section 4. Deposits. All funds of the Agency not otherwise employed shall be deposited from time to time to the credit of the Agency in such banks, trust companies or other depositories as the Board may select or in the absence of such selection by the Board, as the Executive Director/CEO in consultation with the Deputy Executive Director/Chief Financial Officer and Deputy Financial Officer.

ARTICLE VII - INDEMNIFICATION AND INSURANCE

Section 1. Authorized Indemnification. Unless clearly prohibited by law or Section 2 of this Article VI, the Agency shall indemnify any person ("Indemnified Person") made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Agency, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a Member or officer of the Agency, or (b) in addition is serving or served, in any capacity, at the request of the Agency, as a Member or officer of any other Agency, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Agency shall have consented to such settlement) and reasonable expenses, including attorneys' fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

Section 2. Prohibited Indemnification. The Agency shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board in good faith determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

Section 3. Advancement of Expenses. The Agency shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Agency, pay or promptly reimburse the Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Agency, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article VI. An Indemnified Person shall cooperate in good faith with any request by the Agency that common legal counsel be used by the

parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

Section 4. Indemnification of Others. Unless clearly prohibited by law or Section 2 of this Article VI, the Board may approve Agency indemnification as set forth in Section 1 of this Article VI or advancement of expenses as set forth in Section 3 of this Article VI, to a person (or the testator or intestate of a person) who is or was employed by the Agency or who is or was a volunteer for the Agency, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Agency in any capacity for any other Agency, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 5. Determination of Indemnification. Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court the Board shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-laws. Before indemnification can occur the Board must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article VI. No Member with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Members is not obtainable, the Board shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these By-laws.

Section 6. Binding Effect. Any person entitled to indemnification under these By-laws has a legally enforceable right to indemnification, which cannot be abridged by amendment of these By-laws with respect to any event, action or omission occurring prior to the date of such amendment.

Section 7. Insurance. The Agency is not required to purchase Members' and officers' liability insurance, but the Agency may purchase such insurance if authorized and approved by the Board. To the extent permitted by law, such insurance may insure the Agency for any obligation it incurs as a result of this Article VI or operation of law and it may insure directly the Members, officers, employees or volunteers of the Agency for liabilities against which they are not entitled to indemnification under this Article VI as well as for liabilities against which they are entitled or permitted to be indemnified by the Agency.

Section 8. Nonexclusive Rights. The provisions of this Article VI shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board is authorized to enter into agreements on behalf of the Agency with any Member, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article VI, subject in all cases to the limitations of Section 2 of this Article VI.

ARTICLE VIII - CONFLICTS OF INTEREST

Section 1. Definition of Conflicts of Interest. A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Agency policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any Member of his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or she, or an immediate family member is a member, trustee, officer, member, partner or more than 10% shareholder. Service on the board of another not-for-profit agency does not constitute a conflict of interest.

Section 2. Disclosure of Conflicts of Interest. A Member or officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his or her duties with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the Member or officer learns of the conflict; and (d) on the conflict of interest disclosure form. The Secretary of the Agency shall, on an ongoing basis, solicit each of its members and officers to determine if a conflict of interest may exist, including specific information concerning the terms of any contract or transaction with the Agency and whether the process for approval set forth in Section 3 was used.

Section 3. Approval of Contracts and Transactions Involving Potential Conflicts of Interest. A member or officer shall disclose to the Secretary of the Agency any potential conflict of interest and the nature of any contract or transaction that may constitute a conflict or interest.

The member or officer shall execute a recusal form and engage in no intercourse or discussion with respect to the Agency's action as to the particular transaction, contract or application. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Agency and the arrangements are consistent with the best interests of the Agency. Fairness includes, but is not limited to, the concepts that the Agency

should pay no more than fair market value for any goods or services which the Agency receives and that the Agency should receive fair market value consideration for any goods or services that it furnishes others. The Board shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Agency.

Section 4. Validity of Actions. No contract or other transaction between the Agency and one or more of its Members or officers, or between the Agency and any other company, corporation, firm, association or other entity in which one or more of its members or officers are Members or officers of the Agency, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Member or Members or officer or officers of the Agency are present at the meeting of the Board, or of a committee thereof, which authorizes such contract or transaction, or that his or her, or their votes are counted for such purpose, if the material facts as to such Member's or officer's interest in such contract or transaction and as to any such common membership, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested Member or officers. Common or interested Members may be counted in determining the presence of a quorum at a meeting of the Board or committee, which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Member or officer should not be present at the meeting.

Section 5. Employee Conflicts of Interest. An employee of the Agency with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his or her supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the supervisor as to how the Agency decisions, which are the subject of the conflict, will be determined. The Chair shall be responsible for determining the proper way for the Agency to handle Agency decisions, which involve unresolved employee conflicts of interest. In making such determinations, the Chair may consult with legal counsel.

The Chair shall report to the Board at least annually concerning employee conflicts of interest, which have been disclosed, and contracts and transactions involving employee conflicts, which the Chair has approved.

ARTICLE IX - COMPENSATION

Section 1. Reasonable Compensation. It is the policy of the Agency to pay no more than reasonable compensation for personal services rendered to the Agency by officers and employees. The Members of the Agency's Board shall not receive compensation for fulfilling their duties as Members, although Members may be reimbursed for actual out-of-pocket expenses, which they incur in order to fulfill their duties as Members. Expenses of spouses will not be reimbursed by the Agency unless the expenses are necessary to achieve an Agency purpose.

Section 2. Approval of Compensation. The Board must approve in advance the amount of all compensation for officers of the Agency's Board.

Before approving the compensation of an officer, the Board shall determine that the total compensation to be provided by the Agency to the officer is reasonable in amount in light of the position, responsibility and qualification of the officer for the position held, including the result of an evaluation of the officer's prior performance for the Agency, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Agency to the individual in payment for services. At the time of the discussion and decision concerning an officer's compensation, the officer should not be present in the meeting. The Board shall obtain and consider appropriate data concerning comparable compensation paid to similar officers in like circumstances.

The Board shall set forth the basis for its decisions with respect to compensation in the minutes of the meeting at which the decisions are made, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable in light of the evaluation and the comparability data.

ARTICLE X - GENERAL

Section 1. Books and Records. These shall be kept at the office of the Agency: (1) correct and complete books and records of accounts, (2) minutes of the proceedings of the Board and the standing and special Committees of the Agency, (3) a current list of the Members of the Board and the officers of the Agency and their residence addresses, (4) a copy of these By-laws, (5) a copy of the Agency's application for recognition of exemption with the Internal Revenue Service, and (6) copies of the past three (3) years' information returns to the Internal Revenue Service.

Section 2. Loans to Members and Officers. No loans shall be made by the Agency to its Members or Officers, or to any other company, corporation, firm,

association or other entity in which one or more of the Members or Officers of the Agency are members, director or officers or hold a substantial financial interest except as allowed by law.

Section 3. Fiscal Year. The fiscal year of the Agency shall commence on January 1 in each calendar year and shall end on December 31 of each calendar year.

Section 4. Training. All Members of the Board appointed after January 15, 2006 shall participate in training approved by the State of New York regarding their legal, fiduciary, financial and ethical responsibilities as Members within one (1) year of appointment to the Board. All other Members of the Board shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the Agency and the adhere to the highest standards of responsible governance.

Section 5. Order of Business. At the regular meetings of the Agency, the following shall be the order of business, unless an alternative order shall be approved by the Chair:

1. Roll Call
2. New Business:
 - a. Applications:
 - b. Other
3. Reading and approval of the minutes of the previous meeting
4. Old Business:
 - a. Document Processing
 - b. Other
5. Report of Treasurer
6. Reports of Committees
7. Unfinished Business
8. Adjournment

ARTICLE IX - AMENDMENTS

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

TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY
RETAIL FACILITY POLICY

Except for Tourism Destinations¹ (as defined in section 862(2)(a) contained in Title 1 of Article 18-A of the New York General Municipal Law, as amended (the “Act”)), facilities owned or controlled by not-for-profit organizations and for facilities located in Highly Distressed Areas² (as defined in Section 854(18) of the Act), it is generally the policy of the Town of Hempstead Industrial Development Agency (the “Agency”) to not finance or provide financial benefits (including sales and use tax exemptions, mortgage recording tax exemptions or real property tax abatements) for Facilities which provide Retail Sales (as defined in Section 862(2)(a) of the Act and as such definition is further expanded by this Policy of the Agency (“Retail Facilities”), where such Facilities providing Retail Sales to persons who personally visit such Facility to purchase goods or receive services as the primary purpose of the Facility or exceed the restrictions on Retail Facilities set forth in Section 862(2) of the Act.

Retail Sales shall mean “(i) sales by a registered vendor under article twenty-eight of the tax law primarily engaged in the retail sale of tangible personal property, as defined in subparagraph (i) of paragraph four of subdivision (b) of section eleven hundred one of the tax law; or (ii) sales of a service to such customers.” For purposes of the Agency’s Retail Facility Policy, Retail Facilities shall include retail stores, shops, restaurants, cafes, coffee shops, luncheonettes, optometry offices, doctors’ offices, dentists’ offices, registered physical therapists, occupational or mental health therapists or other health care providers, retail banking facilities, savings and loan associations or other retail lenders, retail tax preparers and other such Retail Facilities and shall include 100% of the space leased directly to such retail providers and the proportionate share of all common space of the Facility available to or to be used by the provider of Retail Sales, including hallways, restrooms, stairways, elevators, waiting rooms, reception areas, etc. For Facilities leased to accountants, lawyers, investment advisors, or other professionals where clients occasionally visit to receive services but such visits are ancillary to the primary use of the leased space, the retail space shall be considered only those portions of the leased space actually visited by such clients such as conference rooms and reception areas.

In order to ensure that any such Retail Facilities do not violate the Retail Facility restrictions in Section 862(2) of the Act and because it is not the policy of the Agency to generally provide benefits for Retail Facilities, no more than fifteen percent (15%) of the square footage of the Facility (including proportionate common areas) and no more than twenty-five (25%) of the total project costs will be used for such retail purposes.

The Agency’s Retail Facility Policy shall be incorporated in all Agency Leases, Agreements, Installment Sale Agreements, Tenant Agency Compliance Agreements and each Lessee and Sublessee shall certify as to compliance with respect to the Agency’s Retail Facility Policy.

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- ¹ “Tourism destination” shall mean a location or facility, which is likely to attract a significant number of visitors from outside the economic development region as established by section two hundred thirty of the economic development law, in which the project is located.
- ² “Highly distressed area” – shall mean (a) a census tract or tracts or block numbering areas or areas or such census tract or block numbering area contiguous thereto which, according to the most recent census data available, has:
- (i) a poverty rate of at least twenty percent for the year to which the data relates or at least twenty percent of households receiving public assistance; and
 - (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; or
- (b) a city, town, village or county within a city with a population of one million or more for which: (i) the ratio of the full value property wealth, as determined by the comptroller for the year nineteen hundred ninety, per resident to the statewide average full value property wealth per resident; and (ii) the ratio of the income per resident; as shown in the nineteen hundred ninety census to the statewide average income per resident; are each fifty-five percent or less of the statewide average; or
- (c) an area which was designated an economic development zone pursuant to article eighteen-B of this chapter.

Adopted:

Ayes:

Nays:

Resolution Number:

Whistleblower Policy Code of Conduct

Town of Hempstead Industrial Development Agency

It is the policy of this Agency to afford certain protections to individuals who, in good faith, report violations or other instances of potential wrongdoing. The Whistleblower/Code of Conduct Policy set forth below is intended to encourage and enable employees to raise concerns in good faith and without fear of retaliation or adverse employment action.

Reporting:

All Agency Employees who discover or have knowledge of potential wrongdoing concerning board members, officers, employees or a person having business dealings or concerning the Agency itself, shall report such activity in accordance with the following procedures:

- a) The employee shall disclose any information concerning wrongdoing either orally or in a written report to his or her supervisor, the Chief Executive Officer, or to the Agency's General Counsel.
- b) All employees who discover or have knowledge of wrongdoing shall report such wrongdoing in a prompt and timely manner.
- c) The identity of the whistleblower and the substance of his or her allegations will be kept confidential to the best extent possible.
- d) The individual to whom the potential wrongdoing is reported shall investigate and handle the claim in a timely and reasonable manner, which may include referring such information to an appropriate law enforcement agency where applicable.
- e) Should an Agency employee believe in good faith that disclosing information pursuant to Section 1 (a) above would likely subject him or her to adverse personnel action or to be ineffective, the employee may instead disclose the information to the General Counsel, the appropriate law enforcement agency or the Authority Budget Office (1-800-560-1770).

No Retaliation or Interference:

No employee shall retaliate against any whistleblower for the disclosure of potential wrongdoing, whether through threat, coercion, or abuse of authority; and no employee shall interfere with the right of any other employee by any improper means aimed at deterring disclosure of potential wrongdoing. Any attempts at retaliation or interference are strictly prohibited and:

- a) No employee who in good faith discloses potential violations or other instances of potential wrongdoing shall suffer harassment, retaliation or adverse personnel action.
- b) All allegations of retaliation against a Whistleblower or interference with an individual seeking to disclose potential wrongdoing will be thoroughly investigated.

- c) Any employee who retaliates against or attempts to interfere with any individual for having in good faith disclosed potential violations or other instances of potential wrongdoing is subject to discipline, which may include termination of employment.
- d) Any allegation of retaliation or interference will be taken and treated seriously and irrespective of the outcome of the initial complaint, will be treated as a separate matter.

Other Legal Rights Not Impaired:

The Whistleblower/Code of Conduct Policy set forth herein is not intended to limit, diminish or impair any other rights or remedies that any individual may have under the law with respect to disclosing potential wrongdoing free from retaliation or adverse personnel action.

- a) Specifically, these Whistleblower/Code of Conduct procedures are not intended to limit any right or remedies that an individual may have under the laws of the State of New York.
- b) With respect to any rights or remedies that an individual may have pursuant to the New York State Labor Law, any employee who wishes to preserve such rights shall, prior to disclosing information to a government body, have made a good faith effort to provide the appointing authority or his or her designee the information to be disclosed and shall provide the appointing authority or designee reasonable time to take appropriate action unless there is imminent and serious danger to public health or safety.

TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

Uniform Travel Policy of the IDA

WHEREAS, the Town of Hempstead Industrial Development Agency ("IDA") desires to establish a uniform policy regarding travel undertaken by IDA employees as part of work related matters; and

WHEREAS, it is in the best interest of the IDA to implement such a policy; and

WHEREAS, this policy will regulate travel costs, lodging, meals and conference expenses, as well as other travel related costs.

No changes will be made to the travel policy or rates without the approval of the Town of Hempstead Industrial Development Agency Board.

All reimbursements shall only be for actual, necessary and reasonable expenses solely in the performance of official duties. This policy allows for the appropriation of monies for such travel.

PROOFS REQUIRED UPON AUDIT BY INDEPENDENT AUDITORS/AUDIT COMMITTEE

1. Claims for travel expense reimbursement must detail the distance traveled, between what places, the purpose of travel, and the dates and items of each expenditure. Contemporaneous receipts must be attached.
2. The IDA will not approve for payment any travel expenditure except upon audit of such vouchers or other documents as are necessary to insure that such payment is lawful, proper and consistent with this Policy.
3. The IDA may establish a fixed per diem allowance in lieu of the submission of an itemized travel expense claim.

FRAUDULENT CLAIMS

Offering a false instrument for filing is a Class "E" felony. IDA employees, who knowingly misrepresent the facts concerning travel for official business or who file or sign any travel form which contains false statements given with intent to defraud the IDA, may be subject both to administrative and/or disciplinary action, including termination and criminal action.

If the IDA identifies what it believes to be attempts to fraudulently obtain reimbursement for travel expenses, the IDA will refer such matters to IDA Counsel.

IDA CEO/CFO RESPONSIBILITY

Verifying that all charges are actual, reasonable and necessary.

TRAVELER'S RESPONSIBILITY

Obtain necessary approvals for travel, including method of travel.

Obtain all necessary travel documents, voucher, tax-exempt certificate etc.

Maintain an accurate record of expenses, including departure and return times and mileage.

Claim reimbursement only for actual allowed expenses within the reimbursement rates.

Submit required contemporaneous receipt of documentation

Complete and submit vouchers, claim forms and travel reports accurately and timely.

MEALS AND LODGING EXPENSES

Only breakfast, lunch and dinner are reimbursable meals, if the meals are not included in the cost of the Lodging or Seminar registration.

All Lodging will be paid for directly by the IDA in advance of the anticipated travel. Claim forms will be obtained directly from the Lodging Facility. If the trip is cancelled for the traveler's convenience and the total trip amount has been paid, the traveler may be responsible for reimbursing the IDA for the costs incurred. Depending on the circumstances involved, the IDA Board/CEO has the authority to determine whether or not the traveler will be required to reimburse the Agency.

TRANSPORTATION EXPENSES

Travel should be by the most efficient and costs effective method of transportation available. Employees should schedule all travel assignments effectively to minimize expenses whenever possible.

Personal Cars: A personal car may be used for travel on official business. Mileage will be reimbursed in accordance with Federal IRS guidelines for mileage and parking. Tolls will be allowed as well, including reimbursement through the use of EZ Pass.

Rental Cars: In accordance with Section 43 of the State Finance Law, there is a ten-day maximum for the rental of vehicles within the State. There is no maximum limitation for the use of rental vehicles out of state. The rental agreement should be submitted with the voucher. When renting a vehicle for Agency business, the traveler should rent in the name of the Agency and sign the agreement as agent for the Agency. If the vehicle is rented in NYS, loss damage waiver (LDW) is not necessary, as NYS statute requires the vehicle lessee to provide this coverage at no charge, with a deductible of

\$100.00. In the event of an accident, the deductible will be reimbursed. If a vehicle is rented out of state, LDWQ should be purchased and will be reimbursed. No other insurance will be reimbursed. Any gasoline purchases, as well as any other direct costs associated with the vehicle, will be reimbursed upon submission of the required documentation.

EXTENDED TRAVEL

Weekend Allowance: When employees are in travel status on Saturdays, Sundays or holidays, they may be reimbursed for meals, lodging and necessary expenses. Employees may be reimbursed for expenses incurred when returning home on weekend or holidays, but this should be limited to the amount that would have been paid if the employee stayed at the work location.

NON-SALARIED OFFICIALS:

In addition to IDA employees, there are 7 board members who serve without salary. They also are entitled to the reimbursement of actual and reasonable travel, lodging and meal expenses incurred in performing their official duties.

NOW, THEREFORE, BE IT

RESOLVED, the Town of Hempstead Industrial Development Agency authorizes the implementation of this travel policy.

Industrial Development Agency Committees

Advertising and Marketing:	Ari Brown, Chairman Ted Sasso Ann DeMichael Arlyn Eames Fred Parola
Time Certification Records Personnel and Leave:	Fred Parola Lorraine Rhoads John Ryan Danny Grodotzke Ann DeMichael
Rules and Counsel Retention:	John E. Ryan, Chairman Ann DeMichael Ray Maguire Fred Parola Ari Brown
Audit Committee:	Ari Brown, Chairman Ted Sasso Dan Grodotzke John Ryan Lorraine Rhoads Fred Parola
Governance and Uniform Policies And Guidelines:	John Ryan, Chairman Fred Parola Bill Weir Jonathan Kohan Ted Sasso Ray Maguire Edie Longo
Code of Ethics:	Fred Parola John Ryan Danny Grodotzke Ari Brown Arlyn Eames Flo Girardi
Finance and Investment Committee:	Jonathan Kohan, Chairman Ray Maguire John Ryan Fred Parola Lorraine Rhoads Flo Girardi

Note: The CEO and Board Chair shall be ex-officio members of each standing committee.

Adopted:

Resolution:

Chairman, Theodore Sasso