

**BY-LAWS
OF
THE RECREATION AND ECONOMIC DEVELOPMENT CORPORATION
OF SUFFOLK COUNTY**

ARTICLE I – THE CORPORATION

Section 1. Name. The name of the Corporation shall be as provided in its Certificate of Incorporation and is currently The Recreation and Economic Development Corporation of Suffolk County.

Section 2. Seal. The Corporation’s seal shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization.

Section 3. Office. The office of the Corporation shall be at such place in the County of Suffolk, State of New York, as the Board of Directors may determine.

ARTICLE II – MEMBER

Section 1. Composition of Membership. The sole Member of the Corporation shall be the County of Suffolk, New York, acting by and through its County Executive, ex officio. The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein.

Section 2. Rights and Powers of the Member. The Member shall have and exercise all the rights and powers of corporate membership created by the laws of the State of New York, the Certificate of Incorporation and the By-Laws of the Corporation.

Section 3. Annual Meeting of the Member. The Member shall hold an annual meeting of the Member at a convenient time and place designated by the Member within the County of Suffolk, New York. At the annual meeting, the Member shall appoint directors pursuant to Article III hereof for positions where a new directorship is created or the term of a director has expired, receive the annual report and transact such other business as may properly come before the meeting.

Section 4. Annual Report to the Member. The directors or designated officer of the Corporation shall present an annual report showing in appropriate detail the following information:

(a) A complete audited financial statement of the Corporation for the fiscal year immediately preceding the date of the report showing the assets and liabilities, principal changes in assets and liabilities, revenue, receipts, expenses and disbursements of the Corporation; and

(b) A summary of the activities of the Corporation during the preceding year.

The annual report shall be filed with the minutes of the annual meeting.

Section 5. Special Meetings of the Member. Special meetings of the Member may be called at any time by the Member.

Section 6. Place of Meeting, Organization. All Member meetings shall be held at the principal office of the Corporation or at such other convenient location as may be determined by the Member within the County of Suffolk, New York. The Secretary, or, in his or her absence, a person chosen by the Member, shall keep complete and accurate minutes of the meeting.

Section 7. Action by the Member. Unless otherwise required by law or these By-Laws, the vote of the Member present at the time of a vote at a duly convened meeting shall be the act of the Member.

Section 8. Delegates. Pursuant to and in accordance with section 603(d) of the Not-for-Profit Corporation Law, the Member may designate a representative to serve in the Member's stead at the annual meeting of the Member.

Section 9. Property Rights of Member. The Member shall not have any rights or interests in or to the property or assets of the Corporation.

ARTICLE III – BOARD OF DIRECTORS

Section 1. Power of the Board and Qualification of Directors. The Corporation shall be overseen, governed and managed by its Board of Directors which shall exercise oversight and control over the officers of the Corporation. Each director shall be at least eighteen years of age and qualified as set forth herein.

Section 2. Number of Directors and Term of Office. (a) The Board of Directors shall consist of four (4) directors established by resolution adopted by the Member at each annual meeting of the Member. The four (4) directors shall be appointed by the Member in accordance with the following: one (1) director shall be appointed upon the advice and consent of the Presiding Officer of the Suffolk County Legislature; three (3) directors shall be appointed by the Member, at least two (2) of whom shall be Independent Directors as that term is defined in the Not-for Profit Corporation Law; and one of the directors appointed by the Member shall be someone who (i) is not, and in the past two (2) years has not been, employed by the County of Suffolk; (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 for goods and services provided to the County of Suffolk or received any other form of financial assistance valued at more than fifteen thousand dollars from the County of Suffolk; (iii) is not a relative of an employee of the County of Suffolk;

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 determination or any other similar actions of the County of Suffolk. Each director shall serve as a director and continue to hold such office until the next annual meeting of the Member, and until his or her successor is appointed and has been elected and qualified.

(b) Each director shall have one vote.

Section 3. Organization. At each meeting of the Board of Directors, the Chairperson, or, in the absence of the Chairperson, the President shall preside, or in the absence of both of such officers, a chairperson chosen by a majority of the directors present shall preside. The Secretary or an Assistant Secretary shall act as secretary of the Board of Directors.

Section 4. Resignations and Removal of Directors.

(a) Any director of the Corporation may resign at any time by giving written notice to the President or to the Secretary. Such resignation shall take effect when his or her successor shall have been designated and qualified.

(b) Any or all of the directors may be removed with or without cause by the Member or by a vote of the directors, with the consent of the Member, provided there is a quorum of not less than a majority of the entire Board of Directors present at the meeting of directors at which such action is taken.

Section 5. Newly Created Directorships and Vacancies. Vacancies occurring on the Board of Directors for any reason shall be filled by a vote of the Member at a special meeting and otherwise in accordance with Section 2 (a) of this Article III. Directors designated to fill vacancies shall serve until the next annual meeting of the Member at which the designation of directors is in the regular order of business, and until their successors are elected and have qualified.

Section 6. Action by the Board of Directors.

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

(b) To the extent permitted by law, any one or more members of the Board of Directors may participate in a meeting of the Board of Directors by means of videoconference or similar communications equipment allowing all persons participating in the meeting to see and hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 7. Place of Meeting. The Board of Directors may hold its meetings at its principal place of business, or at such place or places within the State of New York as the Board of Directors may from time to time by resolution determine.

Section 8. Annual Meetings. The Annual Meetings of the Corporation shall be held for the election of Officers and the transaction of other business each year on such day as determined by the Board of Directors.

Section 9. Regular Meetings. To the extent permitted by law, regular meetings of the Board of Directors may be held without notice at such times as may be fixed from time to time by resolution of the Board.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Member, the President, or by any two (2) directors. Notice shall be given orally, by facsimile telecommunications, by electronic mail, or by first class 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 facsimile telecommunications, by electronic mail or by mail, it shall be given not less than three (3) days before the meeting.

Section 11. Waivers of Notice. Notice of a meeting need not be given to any director who submits a 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. Such waiver may be written or electronic.

Section 12. Quorum.

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

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

Section 13. Compensation. Directors 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 14. Annual Independent Audit. The Board of Directors shall present at the Annual Meeting a report certified by a firm of independent public accounts selected by the Board, showing in appropriate detail the following:

(i) the assets and liabilities, including trust funds of the Corporation 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 Corporation, both unrestricted and restricted to particular purposes during said fiscal period; and
- (iv) the expenses or disbursements of the Corporation for both general and restricted purposes, during said fiscal period.

This report shall be filed with the records of the Corporation and a copy thereof entered in the minutes of the proceeding of the Annual Meeting.

ARTICLE IV – COMMITTEES

Section 1. Committees of the Board. The Board of Directors, by resolution adopted by a majority of the entire Board of Directors, may designate any committees, each consisting of at least three (3) directors, and each of which, to the extent provided in such resolution, can make recommendations to the entire Board of Directors. The committees shall have such authority as the Board of Directors shall by resolution provide, except as to the matters prohibited by New York Not-for-Profit Law section 712.

ARTICLE V – BOARD OFFICERS

Section 1. Officers. The Officers of the Corporation's Board shall be a Chairperson, a President, one or more Vice Presidents, a Treasurer, a Secretary and/or such other officers as the Board of Directors may in its discretion determine. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Term of Office and Qualifications. Those officers whose titles are specifically mentioned in Section 1 of this Article V shall be elected by the Board of Directors at its Annual Meeting. Unless a shorter term is provided in the resolution of the Board of Directors 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.

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 of Directors may from time to time determine.

Section 4. Removal of Officers. Any officer may be removed by the Board of Directors 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 of Directors, to the President 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 of Directors.

Section 7. Chairperson. The Chairperson shall preside at all meetings of the Board of Directors at which the Chairperson is present.

Section 8. President. The President shall act as the chief executive officer of the Corporation and shall supervise generally the management of the affairs of the Corporation subject only to the supervision of the Board of Directors. The President shall also perform such other duties as may be assigned from time to time by the Board of Directors.

Section 9. Vice Presidents. In the absence or incapacity to act of the President, or if the office of President be vacant, a Vice President designated by a majority of the then serving Vice Presidents shall perform the duties and exercise the powers of the President, subject to the right of the Board of Directors from time to time to extend or confine such powers and duties or to assign them to others. The Vice Presidents shall have such powers and shall perform such other duties as may be assigned by the Board of Directors or the President.

Section 10. Treasurer. The Treasurer shall, if required by the Board of Directors, obtain a bond for the faithful discharge of his or her duties, in such sum and with such sureties as the Board of Directors shall require. The Treasurer shall keep and maintain the books of account and shall have charge and custody of, and be responsible for all funds and securities of the Corporation, and deposit all such funds in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors. 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 of Directors.

Section 11. Secretary. It shall be the duty of the Secretary to act as secretary of all meetings of the Board of Directors, 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 Corporation are duly given and served; the Secretary shall keep a current list of the directors and officers of the Corporation's Board and their residence addresses; the Secretary shall be custodian of the seal of the Corporation 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 directors and any committee which may keep minutes, and of all other contracts and documents which are not in the custody of the Treasurer of the Corporation, or in the custody of some other person authorized by the Board of Directors to have such

custody. Some or all of the foregoing duties may be discharged by an Assistant Secretary appointed by the Board of Directors.

Section 12. Appointed Officers. The Board of Directors may delegate to any officer or committee the power to appoint and to remove any subordinate officer, agent or employee.

Section 13. Compensation. Officers shall receive no compensation for their services but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

ARTICLE VI – CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS AND DISBURSEMENTS OF REVENUE FROM THE SUFFOLK COUNTY MARATHON

Section 1. Execution of Contracts. The Board of Directors, 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 Corporation 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 of Directors, or expressly authorized by these By-Laws, no officers, agents or employees shall have any power or authority to bind the Corporation 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 Corporation unless specifically authorized by the Board of Directors.

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

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 5. Revenues. The Corporation may retain up to ten thousand dollars (\$10,000.00) of revenues in each fiscal year relating to the Suffolk County Marathon plus the actual expenses, costs and fees of the Corporation for the marathon. All revenues received by the Corporation in each fiscal year relating to the Suffolk County Marathon that exceed the retained amount shall be donated to veterans organizations throughout the County of Suffolk according to the following procedure:

1. The President of the Corporation shall request that the Veterans Grant Committee, which was established pursuant to Suffolk County Resolution Number 1013-2015, meet to determine which veterans organization applicants should be recommended to receive funds;
2. The Corporation shall adopt by resolution the determinations made by the Suffolk County Legislature regarding which organizations will receive funds; and
3. The President of the Corporation shall thereafter execute any and all agreements and documents necessary to effectuate the resolution in order to ensure the successful disbursement of marathon revenue funds.

ARTICLE VII – INDEMNIFICATION AND INSURANCE

Section 1. Authorized Indemnification. Unless clearly prohibited by law or Section 2 of this Article VII, the Corporation 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 Corporation, 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 director or officer of the Corporation, or (b) in addition is serving or served, in any capacity, at the request of the Corporation, as a director or officer of any other corporation, 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 Corporation 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 Corporation 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 of Directors 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 Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, 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 Corporation, 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 VII. An Indemnified Person shall cooperate in good faith with any request by the Corporation 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 VII, the Board of Directors may approve Corporation indemnification as set forth in Section 1 of this Article VII or advancement of expenses as set forth in Section 3 of this Article VII, to a person (or the testator or intestate of a person) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, 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 Corporation in any capacity for any other corporation, 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 of Directors 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 of Directors must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article VII. No director 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 directors is not obtainable, the Board of Directors 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 Corporation is not required to purchase directors' and officers' liability insurance, but the Corporation may purchase such insurance if authorized and approved by the Board of Directors. To the extent permitted by law, such insurance may insure the Corporation for any obligation it incurs as a result of this Article VII or operation of law and it may insure directly the directors, officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article VII as well as for liabilities against which they are entitled or permitted to be indemnified by the Corporation.

Section 8. Nonexclusive Rights. The provisions of this Article VII shall not limit or exclude any other rights to which any person may be entitled under law or contract.

The Board of Directors is authorized to enter into agreements on behalf of the Corporation with any director, 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 VII, subject in all cases to the limitations of Section 2 of this Article VII.

ARTICLE VIII – CONFLICT OF INTEREST

Section 1. Conflict of Interest Policy. A conflict of interest policy shall be adopted by the Board of Directors to ensure that the Corporation’s directors and officers act in the Corporation’s best interest and comply with applicable legal requirements, including the requirements set forth in sections 715 and 715-a of the New York Not-for-Profit Corporation Law.

ARTICLE IX – GENERAL

Section 1. Books and Records. There shall be kept at the office of the Corporation: (1) correct and complete books and records of account; (2) minutes of the proceedings of the Board of Directors and any committees of the Corporation; (3) a current list of the directors and the officers of the Corporation and their residence addresses; (4) a list or record containing the name and address of the Member; (5) a copy of these By-Laws; (6) a copy of the Corporation’s application for recognition of exemption with the Internal Revenue Service (if applicable); and (7) copies of the past three (3) years’ information returns to the Internal Revenue Service (if applicable).

Section 2. Loans to Directors and Officers. No loans shall be made by the Corporation to its directors or officers, or to any other company, corporation, firm, association or other entity in which one or more of the directors or officers of the Corporation are members, directors or officers or hold a substantial financial interest except as allowed by law.

Section 3. Approval of Certain Agreements and Documents. The Corporation shall execute all agreements and documents necessary to reimburse the County of Suffolk for all reasonable expenses paid or incurred by the County of Suffolk and its officials, employees, and agents in performance of services for the Corporation, including appropriate allocations of (i) salaries and benefits of the County of Suffolk’s officials and employees who perform services for the Corporation, and (ii) overhead, computing and other expenses attributable to services performed by the County of Suffolk on behalf of the Corporation.

Section 4. Validity of Actions. As set forth at section 715 of the Not-for-Profit Corporation Law, the Corporation shall not enter into any related party transaction unless the transaction is determined by the Board of Directors to be fair, reasonable and in the Corporation’s best interest at the time of such determination. Any director, officer or key

employee who has an interest in a related party transaction shall disclose in good faith to the Board of Directors, or an authorized committee thereof, the material facts concerning such interest. With respect to any related party transaction in which a related party has a substantial financial interest, the Board of Directors, or an authorized committee thereof, shall: i) prior to entering into the transaction, consider alternative transactions to the extent available; ii) approve the transaction by not less than a majority vote of the directors or committee members present at the meeting; and iii) contemporaneously document in writing the basis for the Board of Directors' or authorized committee's approval, including its consideration of any alternative transactions.

Section 5. Fiscal Year. The fiscal year of the Corporation shall commence on January 1 in each calendar year and shall end on December 31 of each calendar year, provided that the fiscal year may be changed by the Board of Directors.

Section 6. Open Meetings Law. The Corporation is subject to the Open Meetings Law. The Corporation shall comply with the Open Meetings Law of the State of New York, as set forth within Article 7 of the Public Officers Law.

Section 7. Public Authorities Accountability Act. The Corporation is subject to the Public Authorities Accountability Act of 2005, as amended (the "PAAA"), and shall comply with the PAAA, as set forth within the New York State Public Authorities Law.

ARTICLE X – AMENDMENTS

Amendments to By-Laws. The By-Laws of the Corporation may be amended, modified, supplemented or repealed by a majority of all of the directors at a regular meeting or special meeting, or by the Member at any annual or special meeting, whose actions at all times shall supersede actions of the directors. Any amendment, modification or repeal of the By-Laws by the directors affecting the rights of the Member shall require the approval by the Member in order to be effective. At least three (3) days written notice thereof of the proposed amendment must be provided to the directors prior to adoption.