

BUFFALO FISCAL STABILITY AUTHORITY

BY-LAWS

ARTICLE I

THE AUTHORITY

SECTION 1. The Authority – The Buffalo Fiscal Stability Authority (“the Authority”) is a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation.

SECTION 2. Acts of the Authority – All acts, agreements, and documents of the Authority shall be performed or executed in the name of the Authority by a Director or other duly authorized officer of the Authority.

SECTION 3. Certification of Instruments – Each Director or other duly authorized officer of the Authority shall have the authority, when necessary or appropriate, to certify the records, proceedings, rules, regulations, and other instruments of the Authority and to affix and attest to the official seal of the Authority on contracts and other instruments of the Authority.

SECTION 4. Administration – The powers, organization, and administration of the Authority shall be in accordance with the provisions of the Buffalo Fiscal Stability Authority Act, or other applicable laws and these By-Laws.

SECTION 5. Fiscal year – The fiscal year of the Authority shall begin July 1 and end the following June 30.

SECTION 6. Seal of the Authority – The official seal of the Authority shall be in such form as may be determined, from time to time, by the resolution of the Directors of the Authority. The seal on any corporate obligation for the payment of money may be a facsimile.

SECTION 7. Offices – The principal office and place of business of the Authority shall be located in the City of Buffalo, State of New York. The Authority may also have other offices at such other places within the State of New York as may be deemed necessary by the Directors of the Authority.

ARTICLE II

DIRECTORS & OFFICERS

SECTION 1. Directors – The business and affairs of the Authority shall be managed by the Board of Directors of the Authority who shall be selected and shall hold office as provided in the Buffalo Fiscal Stability Authority Act.

SECTION 2. Compensation of Directors – The Directors of the Authority shall serve without salary or fringe benefits, but each Director shall be reimbursed for actual necessary expenses incurred in the performance of such Director’s official duties as a Director of the Authority.

SECTION 3. Chairperson and Vice-Chairperson – The Governor shall designate a Chairperson and Vice-Chairperson from among the Directors. The Chairperson shall preside over all meetings of the Directors and shall have such other duties as the Directors of the Authority may direct. The Vice-Chairperson shall preside over all meetings of the Directors in the absence of the Chairperson and shall have such other duties as the Directors of the Authority may prescribe; except that if in such event that the office of the Vice-Chairperson is vacant or the Vice-Chairperson is absent or disabled, the Chairperson shall designate a Director to preside at such meeting.

SECTION 4. Appointment and Delegation – The Directors of the Authority shall appoint a Treasurer, who shall not be a member of the Authority's Board of Directors, and may appoint such officers, employees, and other agents of the Authority as are deemed necessary to effectuate the purposes of the Authority and may delegate to such officers, employees and agents such powers and duties as the Directors may deem proper. Officers shall serve at the pleasure of the Board of Directors. No Board member, including the Chairperson, shall serve as the Authority’s chief executive officer, executive director, chief financial officer, comptroller, or hold any other equivalent position while also serving as a member of the Board.

SECTION 5. Removal and Vacancy – Any officer may be removed or have his or her authority suspended by the Authority at any time, with or without cause. If an office becomes vacant for any reason, the Authority shall have the power to fill such vacancy.

SECTION 6. Officers Holding Two or More Offices – Any two or more offices may be held by the same person, but no officer shall execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two or more officers.

SECTION 7. Delegation – In the event of a vacancy in any office or the absence or disability of any officer or for any other reason that the Authority may deem sufficient, the Authority, except as otherwise provided by law, may temporarily delegate the powers or duties of any officer to any other officer or to any Director, except as prohibited by Article II, Section 4.

ARTICLE III

MEETINGS OF THE AUTHORITY

SECTION 1. Meetings – Regular meetings of the Authority shall be held at such times as the Board of Directors may from time to time determine. Special meetings of the Board of Directors shall be held at any time, upon call from the Chairperson, and shall be called by the Chairperson upon the request of at least five Directors of the Authority.

SECTION 2. Place of Meetings – Regular and special meetings of the Board of Directors shall be held at the principal office of the Authority or at such other place within the State of New York as the Board of Directors may from time to time determine.

SECTION 3. Notices – Notice of the place, date, and time of every regular and special meeting of the Authority or any committee of the Board shall be given by mailing the same, at least three days before the day on which the meeting is to be held, to the address of each Director or committee member designated by him or her for such purpose (or, if none is designated, to his or her last known address) or by delivering it personally, electronically or telephonically at least 12 hours in advance of the time for which the meeting is called. Neither the business to be transacted at, nor the purpose of, any meeting of the Authority or committee need be specified in any notice or written waiver of notice unless so required by these By-Laws. Special meetings may be called only for a specific purpose or purposes, and such action(s) at such special meeting shall be limited to the purpose(s) set forth in the notice.

SECTION 4. Waiver of Notice – Notice of a meeting of the Board or any committee need not be given to any Director who submits, or whose duly appointed representative submits, a signed written waiver thereof, whether before, during or after the meeting, nor to any Director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

SECTION 5. Cancellation and Rescheduling of Meetings – The Chairperson, or in the Chairperson's absence, the Vice-Chairperson, may cancel or postpone a scheduled regular or special meeting by delivering notice personally, electronically, telephonically, or by mail to all other members of the Board of Directors, which such notice must contain the reason for cancellation or postponement of such meeting. A regular or special meeting may also be cancelled or postponed by a majority of the Directors, but in no case fewer than five Directors. For any meeting scheduled fourteen days or more prior to the meeting date, such notice shall be furnished at least five days prior to the meeting date. For any meeting scheduled less than fourteen days prior to the meeting date, such notice shall be furnished as soon as is practicable. The Chairperson or Vice-Chairperson shall consult each Director as to scheduling, prior to rescheduling any cancelled or postponed meeting.

SECTION 6. Quorum and Exercise of Powers – Five Directors shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. The Authority shall have power to act pursuant to a favorable vote of five Directors. If at any meeting there is less than a quorum, a majority of those Directors present may, from time to time, adjourn the meeting without further notice to any absent Director.

SECTION 7. Personal Attendance by Video Conference; Participation Remotely by Electronic Means – If the Chairperson determines that there is a need for the Directors to act under circumstances where it is not possible or practicable to bring a quorum of the Directors together at the same location, the Chairperson or the Executive Director, upon direction of the Chairperson, may give notice that any one or more members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of video conference equipment allowing all persons participating in the meeting to hear and observe each other at the same time and to see all material presented, and presentations made, at the meeting. Participation by such means shall constitute presence in person at the meeting. A Director also may participate in a Board or committee meeting by telephone or other remote means of electronic communication but may not vote or be counted as present for any such meeting.

SECTION 8. Procedure – The order of business and all other matters of procedure at each meeting of the Authority may be determined by the presiding officer.

SECTION 9. Minutes – The Authority shall keep minutes of their acts and proceedings to the extent required by law, or as otherwise required by a majority of the Authority’s Directors.

ARTICLE IV

COMMITTEES

SECTION 1. Audit, Budget and Finance Committee – The Board shall establish an Audit, Budget and Finance Committee to consist of three or more members, each of whom qualifies under the New York State Public Authorities Law ("PAL") as an independent member, for the purpose of recommending to the Board the hiring of a certified independent accounting firm, establishing the compensation to be paid to the accounting firm and providing direct oversight of the performance of the independent audit by the accounting firm hired for such purposes; also to develop and oversee the Authority’s budget, to receive and distribute funds that come into the custody of the Authority, to maintain appropriate internal controls and separation of functions, to receive the annual report of the independent auditor, to recommend to the Board of Directors actions based on recommendations of the independent auditor, and to undertake such other activities as the Board Chairperson may direct from time to time.

SECTION 2. Governance Committee – The Board shall establish a Governance Committee to consist of three or more members, each of whom qualifies under PAL as an independent member, for the purpose of keeping the Board informed of current best governance practices, to review corporate governance trends, to review and update the Authority's corporate governance principles, and to undertake such other activities as the Board Chairperson may direct from time to time.

SECTION 3. Other Committees – The Board of Directors may create one or more other committees of the Board. The Board shall determine the membership, powers and duties of such committees, provided that only members of the Board of Directors may serve as members of committees of the Board established under this Article. If, at a regular or special meeting of the Board of Directors, one or more Directors shall abstain from voting on a particular item of business and as a result there shall only be four or fewer Directors present and able to vote, the Chairperson or presiding Director may at his or her discretion appoint those four or fewer Directors to serve as a temporary ad hoc committee to consider that item of business and recommend action in respect to that item at the next special or regular meeting of the Board.

SECTION 4. Meetings – Regular meetings of any committee of the Board shall be held at such times as each such committee or the Board of Directors may from time to time determine. Special meetings of any committee, which may be called only for a specific purpose or purposes, shall be held at any time upon call from the Secretary of the Authority, upon the request of at least two members of the committee.

SECTION 5. Place of Meetings – Regular and special meetings of committees shall be held at the principal office of the Authority or at such other place within the State of New York as each committee may from time to time determine.

SECTION 6. Cancellation and Rescheduling of Committee Meetings – The Chairperson of a committee, or if the chair is vacant, or the Chairperson is absent or disabled, the member of the committee with the longest period of membership on the Authority (“Senior Member”), may cancel or postpone a scheduled meeting by delivering notice personally, electronically, telephonically, or by mail to all other members of the committee, which such notice must contain the reason for cancellation of such meeting. A regular or special meeting may also be cancelled or postponed by a majority of the committee members, but in no case fewer than two committee members. For any meeting scheduled fourteen days or more prior to the meeting date, such notice shall be furnished at least five days prior to the meeting date. For any meeting scheduled less than fourteen days prior to the meeting date, such notice shall be furnished as soon as is practicable. The Chairperson or Senior Member shall consult each committee member as to scheduling, prior to rescheduling any cancelled or postponed meeting.

SECTION 7. Quorum and Exercise of Powers – A majority of the total number of members of a committee shall constitute a quorum for the transaction of any business or the exercise of any power of a committee. All action by a committee shall be taken by vote of a majority of the total number of its members. If at any meeting there is less than

a quorum, a majority of those members present may, from time to time, adjourn the meeting without further notice to any absent member.

SECTION 8. Conduct of Meetings – The Chairperson of a committee, or if the chair is vacant, or the Chairperson is absent or disabled, the Senior Member, shall preside at each meeting of the Committee. The Secretary of the Authority, except as otherwise provided by the Authority, shall act as Secretary at all meetings of the committee, and in the absence of the Secretary, a temporary Secretary shall be appointed by the presiding officer. The order of business and all other matters of procedure at each committee meeting may be determined by the presiding officer of the committee.

SECTION 9. Minutes – All committees shall keep minutes of their acts and proceedings to the extent required by law, or as otherwise required by a majority of the Authority’s Directors.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

SECTION 1. Right of Indemnification – Each Director, officer, and employee of the Authority, all of whom shall be deemed officers and employees of the State for the purposes of section seventeen of the public officers law, shall be held harmless and indemnified as provided for in section 3870 of the Buffalo Fiscal Stability Act enacted as chapter 122 of the laws of 2003.

ARTICLE VI

AMENDMENTS

SECTION 1. Amendments – These By-Laws may be adopted, amended or repealed by resolution duly adopted at any meeting of the Authority, notice of which shall have referred to the proposed action, by a vote of a majority of the total number of Directors.

ARTICLE VII

SUSPENSION OF BY-LAWS

SECTION 1. Suspension of By-Laws – By affirmative vote of a majority of the total number of Directors, the provision of any or all of these By-Laws, except as may be otherwise provided by law, may be temporarily suspended.