

BY LAWS
Of
GLOVERSVILLE DISTRICT MANAGEMENT ASSOCIATION, INC.
____BUSINESS IMPROVEMENT DISTRICT____
(A Not-For-Profit Corporation)

ARTICLE I

OFFICES

The principal office of the corporation shall be located at 2 N. Main Street in the City of Gloversville, County of Fulton and State of New York. The Corporation may also have such offices at such other places within or without the State as the Board of Directors may from time to time determine.

ARTICLE II

MEMBERS

Section 1. Classes and Qualifications: The BID will have three (3) voting classes of membership.

1.1 Class A: Owners of record of real property in the District, further defined as an individual, sole proprietorship, partnership, corporation, limited liability Company, or limited liability partnership, shall designate an individual to be a representative to the Corporation.

1.2 Class B: Tenants, further defined as an individual, sole proprietorship, partnership, corporation, limited liability company, or limited liability partnership who are occupants pursuant to leases of commercial space within the District shall designate an individual to be a representative to the Corporation. Residential Tenants of properties within the BID shall also be eligible for membership and shall be designated by the real property owner. The addition of a residential tenant on the board does not preclude the property owner from serving on the board.

1.3 Class C: Persons serving by the virtue of their appointment as Municipal Representatives, as described in Article III Section 1.2

1.4 Each voting member of the corporation as herein above described shall have one vote; except in the event that an owner as described in 1.1 above owns more than one building, such owner shall have one vote per building. However, the total number of votes of any one owner must not exceed 33% of the total number of votes of the full membership of the corporation pursuant to the provisions of the General Municipal Law.

Section 2. Meetings

2.1 The Annual Meeting of members of the Corporation shall be held in the month of January. Each Annual Meeting shall be held on a date not more than twelve months following the preceding Annual Meeting. Special Meetings of members may be held on such date or dates as may be fixed by the Board of Directors of the Corporation from time to time and by the members of such date or dates as shall be permitted by law.

2.2 Any Annual or Special Meeting of members may be held in such place as selected by the Board of Directors of the Corporation. In the event the Board of Directors shall fail to fix such place or time, or in the event members are entitled to call or convene a Special Meeting in accordance with law, then, in such event, such meeting shall be held at the principal office of the Corporation.

2.3 Annual of Special Meeting of Members may be called by the Board of Directors or by any office of the Corporation instructed to do so by the Board of Directors, except the extent that directors may be required by law to call a meeting, and shall be called by the Secretary on behalf of the members, when required to do so by law.

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2.4 Written notice stating the place, day and hour of the meeting shall be given for all meetings. Such notice shall state the person or persons calling the meeting. Notice of an Annual Meeting shall state that the meeting is being called for the election of directors and for the transaction of such other business as may properly come before the meeting. Notices of Special Meeting shall state the purpose or purposes for which the meeting is called. At any Special Meeting, only the business stated in the Notice of Meeting may be transacted thereat. Notice of Meeting shall be given either personally or by first class mail not less than 10 days nor more than 50 days before the date of the meeting, to each member at his address recorded on the recorders of the Corporation, or at such other address which the member may have furnished in writing to the Secretary of the Corporation. Notice shall be deemed to have been given when deposited with postage prepaid in a post office or other official depository under the exclusive jurisdiction of the United State Post Office. Any meeting of members may be adjourned from time to time. In such event, it shall not be necessary to provide further notice of the time and place of the adjourned meeting if announcement of the time and place of the adjourned meeting is given at the meeting so adjourned. In the event the Board of Directors fixes a new record date for an adjourned meeting, a new notice shall be given, in the same manner as herein provided. No notice need be given to any member who executes and delivers a Waiver of Notice before or after the meeting. The attendance of a member in person or by proxy at the meeting without protesting the lack of notice of a meeting; shall constitute a waiver of notice by such member. Any notice of meeting to members relating to the election of directors, shall set forth any amendments to the By-Laws of the Corporation adopted by the Board of Directors, together with a concise statement of the changes made.

2.5 At each Annual Meeting of Members, the Board of Directors shall present an Annual Report. Such report shall be filed with the records of the Corporation and entered in the minutes of the proceedings of such Annual Meeting of Members.

Section 3: Governance: Meetings of the members shall be presided over by the following officers, in order of seniority – the President, Vice-President or, if none of the foregoing is in office or present at the meeting, by a Chairman to be chosen by a majority of the members in attendance. The Secretary of the Corporation shall act as Secretary of every meeting. If the Secretary is not available, the Chairman may appoint a Secretary of the meeting.

3.1 Order of Business: The order of business at all meetings of members shall be as follows:

- Call to order
- Attendance
- Reading/Acceptance of Minutes
- Treasurer's Report/Acceptance
- Officer's report
- Report of standing committees
- Report of special committees
- Old business
- New business
- Other
- Next Meeting Date
- Adjournment

Section 4: Proxy Voting: Every member may authorize another person to act for him by proxy in all matters in which a member may participate, including waiving notice of any meeting, voting or participating in a meeting, or expressing consent or dissent without a meeting. Every proxy shall be signed by the member or his attorney in fact, and shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. Except as otherwise provided by law, no proxy shall be valid after the expiration of eleven months from its date.

Section 5. Voting Inspectors: The directors may, but need not, appoint one or more inspectors to act at any meeting or any adjournment thereof. If inspectors are not appointed, the presiding officer of the meeting may, but need not, appoint inspectors. The inspectors shall receive all votes, ballots or consents, bear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the

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result and do such acts as are proper to conduct the election or vote of all members. The inspectors shall make a report of all matters determined by them with respect to such meeting.

Section 6: Quorum: Except as provided by law, 10 members entitled to cast a vote shall constitute a quorum at a meeting of members for the transaction of any business. The members present may adjourn the meeting despite the absence of a quorum. In the election of directors, a plurality of the votes cast shall elect.

Section 7. Date of Record: The Board of Directors of the Corporation shall fix a record date for the purpose of determining tenant members entitled to notice of, to vote, to express consent or dissent or allotment of rights, or for any other proper purpose. Such record date shall not be more than 100 days now less than 30 days prior to the date of such meeting or consent. The record date for owner members shall be the current tax rolls of the City of Gloversville, or if a member advises that the property has been purchased, after the completion of the tax rolls.

Section 8. Membership Certificates: The Board of Directors may cause to be issued certificates, cards or other instruments permitted by law evidencing membership in the Corporation. Such membership certificates, card or other instrument shall be non-transferable and a statement to that effect shall be noted on the certificate, card or other instrument. Membership certificates, cards or other instruments, if issued, shall bear the signatures or facsimile signatures of an officer or officers designated by the Board of Directors and may bear the seal of the Corporation or a facsimile thereof.

ARTICLE III

BOARD OF DIRECTORS

Section 1. General Management: The general management of the affairs of this corporation shall be vested in a Board of Directors. The Board of Directors shall have control of the property of the Corporation and shall determine its policies with the advice of the various committees. It shall have the power of authorize expenditures and take all necessary and proper steps to carry out the purpose of this Corporation and to promote its best interest.

1.1 Number: The Corporation Board of Directors shall be a minimum of 10 and a maximum of 25 members. Each director shall be at least 18 years of age, and shall be a member of the Corporation during his/her directorship. The number of directors may be increased or decreased by action of the members of the Board of Directors, provide that any action by the Board of Directors to affect such increase or decrease shall require the vote of a majority of the entire Board of Directors. No decrease shall shorten the term of any director then in office.

1.2 Makeup of the Board: The board of directors of the association shall be composed of representatives of owners and tenants within the district, provided however, that not less than a majority of its members shall represent owners and provided further that tenants of commercial space and dwelling units within the district shall also be represented on the board. Residential Tenants of properties within the BID shall also be eligible for membership and shall be designated by the real property owner. The addition of a residential tenant on the board does not preclude the property owner from serving on the board. The board shall include, in addition, three members, one member appointed by each of the following: the Chief Executive Officer of the Municipality; the Chief Financial Officer of the Municipality; and the Legislative Body, (Common Council). The three members of the Board of Directors representing the City shall be included in the maximum number of board members. The Board Development Committee shall propose the remaining members; see Section 2.4 of these By-Laws.

1.3 Compensation: Members of the Board of 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.

1.4 Proxy Voting: In accordance with the New York State Non-Profit Corporation Law there is no voting by proxy for the board of directors.

Section 2: Selection Procedure of Directors, Terms of Office & Vacancies:

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2.1 The Membership shall elect all directors of the Corporation.

2.2 Selection Procedure: All Members entitled to vote shall cast a vote for a number of candidates equal to the number of vacancies to be filled until the required number of Board members, as specified in Section 2 of this article achieved. If, at any time during this process, there is a tie among a number of candidates, which number is greater than the number of vacancies remaining, the voters shall thereupon vote again, casting a number of votes equal to the remaining vacancies. Only candidates who are tied may run in this subsequent election. The remaining vacancies shall be filled as outlined above. All subsequent ties shall be dealt with as outlined herein.

2.3 Term of Office: The term of office for a board member shall be one (1) year unless otherwise provided in these By-Laws.

2.4 Board Development Committee: The President of the Board of Directors shall appoint a Board Development Committee to nominate candidates for directors who are members of the corporation in order to maintain a minimum of 10 directors. The Board Development Committee shall also recommend a slate of officers to be elected at the annual meeting of the Board of Directors.

2.5 At each Annual Meeting of members, the membership shall elect directors to hold office until the next Annual Meeting. Each director shall hold office until the expiration of the term, for which he/she was elected, and until his/her prior resignation or removal as hereinafter provided.

Section 3. Resignation: A director may resign at any time by giving written notice to the Board of Directors or to any officer of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board of Directors or such officer. Acceptance of such resignation shall not be necessary to make it effective.

Section 4. Suspension & Removal:

4.1 Suspension: Any or all of the members of the Board of Directors may be suspended for cause by a two-thirds (2/3) majority vote of the Board, provided there is a quorum for the meeting at which the action is taken. The period of suspension can last only until such time as the next regularly scheduled Annual Meeting or another Special Meeting of the Membership, or by reinstatement by a majority vote of the members of the Board of Directors.

4.2 Removal: Any or all of the members of the Board of Directors may be removed with or without cause by a two-thirds (2/3) majority vote of the members of the Corporation, provided there is a quorum for the meeting at which the action is taken.

Section 5: Vacancies: Newly-created directorships or vacancies in the Board of Directors may be filled by a vote of majority of the Board of Directors then in office, although less than a quorum, unless otherwise provided in the Certificate of Incorporation of the Corporation. Vacancies occurring by reason of the removal of directors without cause shall be filled by a vote of the members. A director elected to fill a vacancy caused by resignation, death, or removal shall be elected to hold office for the unexpired term of his predecessor.

Section 6: Meetings:

6.1 A regular Annual Meeting of the Board of Directors shall be held immediately following the Annual Meeting of Members. All other meetings shall be held at such time and place as shall be fixed by the Board of Directors from time to time.

6.2 No notice shall be required for regular meetings of the Board of Directors for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, the President, or by a majority of the directors then in office.

6.3 Written, oral, or any other method of notice of the time and place shall be given for special meetings of the Board of Directors in sufficient time for the convenient assembly of the Board of Directors. The

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notice of any meeting need not specify the purpose of such meeting. The requirement for furnishing notice of a meeting may be waived by any director who signs a Waiver of Notice before or after the meeting or who attends the meeting without protesting the lack of notice to him.

Section 7: Quorum:

Five members of the Board of Directors shall constitute a quorum. At any meeting held to remove one or more directors a quorum shall constitute of a majority of the directors present at such meeting. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except to the extent provided by law and these By-Laws, the act of the Board of Directors shall be by a vote of at least five (5) directors present at the time of vote, a quorum being present at such time. Any action authorized by resolution, in writing, by all the directors entitled to vote thereon and filed with the minutes of the corporation shall be the act of the Board of Directors with the same force and effect as if the same had been passed by unanimous vote at a duly called meetings of the Board.

Section 8: Organization:

The President shall preside at all meetings of the Board of Directors. If there be no President or in his absence, the Vice-President shall preside and, if there be no President or Vice-President, any other director chosen by the Board, shall preside.

ARTICLE IV

OFFICERS

Section 1: Officers, Election, Term:

1.1 The Board of Directors may elect or appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer, and such other officers as they may determine. All officers must be a director. Any two or more officers may be held by the same person except the office of President and Secretary.

1.2 Each Officer shall hold office until the Annual Meeting of the Board of Directors and until his successor has been duly elected and qualified. The Board of Directors may remove all officers with or without cause at any time.

1.3 No officer shall serve for more than five consecutive years in the same position.

Section 2: Removal, Resignation:

2.1 Officers serve at the discretion of the Board of Directors. Any Officer elected by the Board may be removed by the Board. In the event of the death, resignation or removal of an officer, the President of the Board shall appoint an acting successor for the Board of Directors to fill the unexpired term. This appointment shall be confirmed or disapproved by the full Board within the next two regular meetings.

Section 3: Duties of Officers:

3.1 The President shall be the chief executive officer of the Corporation, shall have the responsibility for the general management of the affairs of the Corporation, and shall carry out the resolutions of the Board of Directors.

3.2 During the absence or disability of the President of the Corporation, the Vice-President shall have all the powers and functions of the President. The Vice-President shall perform such duties as may be prescribed by the Board of Directors from time to time.

3.3 The Treasurer shall have the care and custody of all of the funds and securities of the Corporation, and shall deposit said funds in the name of the Corporation in such bank accounts as the Board of Directors may

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from time to time determine. The Treasurer shall, when duly authorized by the Board of Directors, sign and execute all contracts in the name of the Corporation when counter-signed by the President; he may also sign checks, drafts, notes and orders for the payment of money, which shall have been duly authorized by the Board of Directors, any check in excess of \$1,000.00 shall be signed by at least two officers.

3.4 The Secretary shall keep the minutes of the Board of Directors and the minutes of the members. He/she shall have custody of the seal of the Corporation, and shall affix and attest the same to documents duly authorized by the Board of Directors. He/she shall serve all notices for the Corporation which shall have been authorized by the Board of Directors, and shall have charge of all books and records of the Corporation.

ARTICLE V

MISCELLANEOUS

1. The Corporation shall keep at the principal office of the Corporation, complete and correct records and books of account, and shall keep minutes of the proceedings of the members, the Board of Directors, or any committee appointed by the Board of Directors, as well as a list or record containing the names and addresses of all members.

2. The corporate seal shall be in such form as the Board of Directors shall from time to time prescribe.

3. The fiscal year of the Corporation shall be fixed by the Board of Directors from time to time, subject to applicable law.

4. All By-Laws of the Corporation shall be subject to alteration or repeal, and new By-Laws may be made, by a majority vote of the members entitled to vote in the election of directors, at a special meeting of the members called for such purpose provided that a good faith effort was made to notify one hundred percent (100%) of the membership about said meeting or at the Annual Meeting of the membership.

5. Residential tenants who lease or rent property within the BID boundaries and do not own property within the BID Boundaries will be encouraged to participate and support the efforts of the BID. Owners/Landlords/Agents must confirm residency of the tenant and must notify District board if tenant is no longer a resident. Tenants and owners may simultaneously serve on the BID board.