

RULES AND PROCEDURES
OF
NIAGARA ORLEANS REGIONAL LAND IMPROVEMENT CORPORATION

These Rules and Procedures are intended to be consistent with and shall be construed in accordance with the Laws of the State of New York. The Corporation shall operate in accordance with these Rules and Procedures and the Laws of the State of New York, the Bylaws of the Corporation, an Intermunicipal Agreement signed the County of Niagara, the County of Orleans, the City of Niagara Falls, the City of Lockport, and the City of North Tonawanda. These Rules and Procedures shall be reviewed by the Board annually and from time to time as deemed necessary by the Board.

I. Corporate Governance

A. Directors

1. Composition of Board of Directors. [IMA Art. IV §4.01, By-laws Art. III § 2]

Subject to amendment of the Intermunicipal Agreement and By-Laws of the Corporation, the Board of Directors shall be constituted of seven directors, as follows:

1. The Niagara County Manager, or appointee
2. The Niagara County Commissioner of Economic Development, or appointee
3. The Niagara County Treasurer, or appointee
4. The Orleans County Legislature Chairman, or appointee
5. The Mayor of the City of Niagara Falls, or appointee
6. The Mayor of Lockport, or appointee
7. The Mayor of North Tonawanda, or appointee

2. Fiduciary Duty.

The members of the Board are under a fiduciary duty to conduct the activities and affairs of the Corporation in the best interests of the Corporation, including the safekeeping and use of all Corporation monies and assets. The members of the Board shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances. [IMA § 4.10]

3. No Compensation, Reimbursement for Expenses.

Board members shall serve without compensation. The Board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the Corporation. [§ 1605 (g)]

4. Required Attendance at Meetings.

In the event that at any time after the first three meetings of the Board, any Director shall have failed to attend at least two-thirds of all meetings conducted within the prior twelve months, he or she may, subject to necessary revisions to the Intergovernmental Agreement, the By-Laws and the Certificate of Incorporation, be removed by not less than a majority of the remaining members of the Board, and he or she shall not be re-appointed to the Board except upon unanimous vote of the other members then serving. [§1605(e) and By-Laws Art. III §15]

5. Action of the Board.

(a) A majority of the members of the Board, not including vacancies, shall constitute a quorum for the conduct of business. All actions of the Board shall be approved by the affirmative vote of a majority of the members of the Board present and voting; provided, however, no action of the Board shall be authorized on the following matters unless approved by a majority of the total Board membership:

- (1) adoption or revision of by-laws and other rules, regulations, policies and procedures for conduct of the Corporation's business;
- (2) hiring or firing of any employee or contractor of the Corporation. This function may, by majority vote of the total Board membership, be delegated to a specified officer or committee of the Corporation, under such terms and conditions, and to the extent, that the Board may specify;
- (3) the incurring of debt;
- (4) adoption or amendment of the annual budget; and
- (5) acquisition, sale, lease, encumbrance, or alienation of real property, improvements, or sale of personal property.

[§1605(i)]

(b) Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. [§708(c)]

(c) Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee. [§708(b)]

6. Meetings.

The Board shall meet in regular session according to a schedule adopted by the Board, and also shall meet in special session as conveyed by the Chairman or upon written notice signed by a majority of the Members. [§1605(h)] In March each year the Board shall conduct an annual meeting for the election of officers and such other business as may come before the meeting.

7. Notice of Meeting.

At least ten calendar days before every regular meeting, the Chairman or officer designated by him or her shall send by mail or e-mail a notice of and proposed (non-binding) agenda for the meeting.

8. Performance Objectives.

The corporation, through its chairperson, shall annually deliver, in oral and written form, a report to the municipality. Such report shall be presented by March fifteenth of each year to the governing body or board of the municipality. The report shall describe in detail the projects undertaken by the land bank during the past year. The chairperson will answer question with respect to the projects undertaken by the authority during the past year, the monies expended by the municipality during the past year, and the administrative activities of the municipality during the last year. [see §1612(c)]

B. Officers and Staff

1. Officers.

At the annual meeting each year, the members of the Board of Directors shall select annually from among themselves a Chairman, a Vice-Chairman, a Treasurer, a Secretary and such other offices as the Board may determine, and shall establish their duties as may be regulated by rules adopted by the Board. A vacancy among such officers, for any reason, shall be filled by majority vote of the members. A director elected or appointed to fill a vacancy shall hold office until the next annual meeting at which the election of officers is in the regular order of business. [See §1605(d)]

2. Counsel and Staff.

The Attorney for each member may/shall assist the Corporation to advise and represent the corporation in the role of Attorney for the member. The Corporation may employ a secretary, an executive director, and such technical experts, and such other agents and employees, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation and benefits of such persons. The Corporation may also enter into contracts and agreements with municipalities for staffing services to be provided to the Corporation by municipalities or agencies or departments thereof, or for the Corporation to provide such staffing services to municipalities or agencies or departments thereof. [See § 1606]

3. Executive Director. [IMA § 4.12]

The Board may select and retain an executive director. An executive director selected and retained by the Board shall administer the Corporation in accordance with the budget adopted by the Board, general policy guidelines established by the Board, other applicable governmental procedures and policies, and this Agreement. The executive director shall be responsible for the day-to-day operations of the Corporation, the control, management, and oversight of the Corporation's functions, and supervision of all Corporation employees. All terms and conditions of the executive director's length of service shall be specified in a written contract between the executive director and the Corporation. The executive director shall serve at the pleasure of the Board. The Board may delegate to the executive director any powers or duties it considers proper, subject to the constraints of Land Bank Act, and under such terms, conditions and extent that the Board may specify.

4. Employees. [IMA § 4.13]

The Corporation may employ or otherwise contract for the services of any staff deemed necessary to carry out the duties and responsibilities of the Corporation. Such staff may be employed as employees of the Corporation, or the services of such staff may be retained pursuant to contracts with any Party or other public or private entities.

C. Fiscal Year

The Fiscal year of the Corporation shall start January 1 and expire December 31.

D. Compliance with Open Meetings Law and Freedom of Information Law. [See § 1612]

The Board and the Corporation shall comply with the provisions of the New York Open Meetings Law as outlined in Public Officers Law, Article 7. The Board and Corporation shall too comply with the New York Freedom of Information Law as prescribed in Article 6, thereby designating the Executive Director and/or acting director as Records Access Officer. The Records Access Officer is to insuring appropriate agency response to public requests for access to records. Records shall be made available for public inspection and copying at:

Niagara Orleans Regional Land Improvement Corp.
6311 Inducon Corp. Dr.
Sanborn, NY 14132

E. Code of Ethics Conflict of Interest Policy. [see § 1612]

Subject to the provisions of section 1614 of the Land Bank Act, the Corporation shall comply with Public Officer Law §74, and comply with the Code of Ethics policy adopted by Niagara County attached hereto. No member of the board or employee of a land bank shall have any interest, director indirect, in any contractor proposed contract for materials or services to be furnished or used by a land bank. The board may adopt supplemental rules and regulations addressing potential conflicts of land bank. The board may adopt supplemental rules and regulations addressing potential conflicts of interest and ethical guidelines for members of the board and land bank employees. [§1614]

F. Whistleblower Policy.

POLICY:

The Corporation encourages employees, volunteers and other related to the organization to report any violation of policy, procedure, or ethics; illegal activity; or other misconduct by employees, volunteers, or others related to the organization. No person who in good faith reports a violation shall suffer harassment, retaliation or adverse employment consequence. An employee, board member, or volunteer who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

PROCEDURE:

Reports can be directly made to the executive director, Chairman or Vice-Chairman or any special committee constituted by the Board to receive and process such confidential information. To the extent that the activity or misconduct involves the executive director, the report should be made directly to the Chairman or Vice-Chairman.

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

The recipient of a complaint will notify the sender and acknowledge receipt of the reported violation or misconduct within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

II. Acquisition and Disposition of Property

1. Compliance with Municipal Building Codes, Zoning Laws, and Land Use Controls and Intergovernmental Agreements. [IMA § 7.02]

The Corporation shall be subject to all applicable city, town and village building codes, zoning laws and land use controls in its use and disposition of real property owned by the Corporation.

2. Consultation with Municipalities. [IMA § 7.03]

The Corporation shall actively consult with Niagara County; Orleans County; the City of Niagara Falls; the City of Lockport; and the City of North Tonawanda, in respect to the selection of properties to be acquired and policies, plans and procedures to the disposition of such properties.

3. Consent of Cities. [§ 1616; IMA § 7.04]

Recognizing that the Cities of Lockport, Niagara Falls and North Tonawanda, as well as the Counties, possess their own tax liens on real property within their respective territories, the Corporation will not foreclose on County tax liens or more generally exercise the powers granted by the Land Bank Act for acquisition of property at tax foreclosure sale within a City over the written objection of the Mayor of such City. The Corporation will not commence any tax lien foreclosure action without the City's prior written commitment to indemnify the Corporation for any costs/liabilities associated with said action should the Mayor of any City object any time after the commencement of the foreclosure proceeding.

4. Acquisition of Properties by the Corporation. [§ 1608; IMA § 7.05; By-Laws Art. VI § 5]

i) Acquisition of Properties

The Corporation may acquire real property or interests in real property by gift, devise, transfer, exchange, foreclosure, purchase or otherwise on the terms and conditions and in a manner so approved by the board. The Corporation may acquire real property by purchase contracts, lease purchase agreements, installment sales contracts, land contracts and may accept transfers from municipalities upon such terms and conditions as agreed upon by the Corporation and the transferring municipality. Notwithstanding any other law to the contrary, any municipality may transfer to the land bank real property and interests in real property of the municipality on such terms and conditions as according to such procedures as determined by the municipality. The Corporation may accept a deed in lieu of foreclosure. The Corporation may acquire tax delinquent, tax foreclosed, vacant or abandoned real property from entities other than political subdivisions.

ii) Identification of Properties by Municipalities

a) On or before December 1 of each year, each municipality wishing to have the Corporation consider acquisition of vacant, abandoned, tax-delinquent or tax-foreclosed property within the municipality, shall provide to the Corporation a letter which includes the address and Section, Block and Lot (S.B.L.) number of each property the municipality desires the Corporation to acquire and lists the addresses in order of priority, this letter must be signed by the chief elected official for the municipality in which the property is located. To be considered by the Corporation for acquisition, the Municipality shall agree in its letter to the terms and conditions as agreed upon within the IMA.

b) The municipality shall provide completed Structure Acquisition Applications or Vacant Lot Acquisition Applications for each property listed in the letter request.

iii) Selection of Properties

a) The Corporation, after having consulted with the municipalities and the FGUs, will, use the selection criteria and by a majority vote of the Board, select properties for acquisition from the letters provided to it in the processes outlined above.

b) The Corporation will only select from those properties for acquisition for which distinct and separate Acquisition Applications were satisfactorily completed and provided for each parcel of property by the municipality.

c) The submission of a request by a municipality shall not obligate the Corporation to select or take action with respect to the property.

5. Redevelopment Plans. [IMA § 7.05]

Subject to the requirements of these Rules and Procedures, and after consultation with the specific municipalities affected, the Board of Directors may adopt redevelopment plans for properties held or to be disposed of by the Corporation within the respective territories of such municipalities which are consistent with the local land use plans of such municipalities.

6. Purchase of Tax Liens. [IMA § 5.02]

The Corporation may acquire liens relative to Tax Delinquent Property in accordance with Section 1616 of the Land Bank Act.

7. Execution of Legal Documents Relating to Real Property. [IMA § 5.03]

The terms of any contract or agreement concerning the sale, lease license, easement, encumbrance, or other alienation of any interest in Real Property, or improvements thereto, or personal property of the Corporation, shall be approved by the Board. All contracts of the Corporation shall be executed by the Chairman in the name of the Corporation.

8. Civil Action to Protect Land Bank Real Property. [IMA § 5.04]

The Corporation may institute a civil action to prevent, restrain, or enjoin the waste of or unlawful removal of any real property held by the Corporation. The Corporation may also institute any civil action to protect, clear title to, determine the rights of parties to, remove liens from, or that are otherwise related to the Real Property of the Corporation.

9. Transfer of Interests in Real Property by Land Bank. [IMA § 5.05]

On terms and conditions, in a manner, and for an amount of consideration the Corporation considers proper, fair, and reasonable, the Corporation may convey, sell, transfer, exchange, lease as lessor, or otherwise dispose of real property or rights or interests in real property in which the Corporation holds a legal interest to any public or private person subject to the New York Public Authorities Law, and any other statutory requirements.

The Corporation shall determine and set forth in policies and procedures of the Board the general terms and conditions for consideration to be received by the Corporation for the transfer of real property and interests in real property, which consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee, and such other forms of consideration as are consistent with state and local law.

10. Structure of Conveyances. [IMA § 5.06]

Transactions shall be structured in a manner that permits the Corporation to enforce contractual agreements, real covenants, and the provisions of any subordinate financing held by the Corporation pertaining to development and use of the real property.

11. Disposition of Proceeds. [IMA § 5.07]

Any proceeds from the sale or transfer of real property by the Corporation shall be retained, expended, or transferred by the Corporation as determined by the Board in the best interests of the Corporation and in accordance with the Land Bank Act.

12. The Corporation shall maintain and make available for public review and inspection a

complete inventory of all property received by the Corporation. Such inventory shall include: the location of the parcel; the purchase, if any, for each parcel received; the current value assigned to the property for purposes of real property taxation; the amount, if any, owed to the locality for real property taxation; the identity of the transferor; and any conditions or restrictions applicable to the property. [§ 1608(h)]

13. All parcels received by the Corporation shall be listed on the received inventory established within one week of acquisition and shall remain in such inventory for one week prior to disposition. [§ 1608(i)]

14. The Corporation shall hold in its own name all real property acquired by the Corporation irrespective of the transferor of such property. [§ 1609(a)]

15. The Corporation shall maintain and make available for public review and inspection a complete inventory of all real property dispositions by the Corporation. Such inventory shall include a complete copy of the sales contract including all terms and conditions including, but not limited to, any form of compensation received by the Corporation or any other party which is not included within the sale price. [§ 1609(b): All property dispositions shall be listed on the property disposition inventory established pursuant to paragraph (b) of this section within one week of disposition. Such records shall remain available for public inspection in the property disposition inventory indefinitely. [§ 1609 (g)]

16. Building and Housing Codes.

All Real Property held by the Corporation shall be maintained in accordance with applicable State laws and local codes by the municipality in which the real property is located.

17. Insurance for Properties.

The Corporation may obtain liability insurance, property insurance, hazard insurance, forced placed insurance, or other insurance as advised by the insurance agent and approved by the board.

The cost of such insurance shall be borne by each municipality being responsible for their share that covers the property requested by each municipality to be brought into that land bank.

III. Financial Controls Policies and Reporting

A. Land Bank Records. [By-Laws Art. VIII § 1]

There shall be kept by the Corporation : (1) correct and complete books and records of account; (2) minutes and statements of written action by the Members; (3) minutes of the proceedings of the Board of Directors and its committees; (4) a current list of the Members, Directors and officers of the Corporation and their residence addresses; (5) a copy of the Certificate of Incorporation; and (6) a copy of these By-Laws.

B. Financial Statements and Reports. [By-Laws Art. III § 18]

The Corporation shall cause to be prepared, at the Corporation's expense, audited financial statements (Management's Discussion and Analysis, Basic Financial Statements and Other Required Supplemental Information) on an annual basis. Such financial statements shall be prepared in accordance with generally accepted accounting principles and accompanied by a written opinion of an independent certified public accounting firm. The Corporation shall be subject to audit by the office of the state comptroller in accordance with Section 1603(h) of the Land Bank Act.

C. Annual Budget. [By-Laws Art II §4]

At the annual meeting of the Corporation, the President and the Treasure of the Corporation shall present an annual report showing in appropriate detail the following information:

- (a) A complete verified or 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.

D. Deposits and Investments. [By-Laws Art. VI § 4 and 5]

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 Treasurer may recommend and the Board approves. The Board may authorize the Corporation to contract with an investment advisor and custodian to manage its investments in accordance with an investment policy established by the Board.

E. Disbursements.

Disbursements of funds shall be in accordance with the adopted budget and with guidelines established by the Board. [IMA § 8.05]

F. Checks and Banking Accounts. [By-Laws Art. VI § 3]

All Checks, drafts and other orders for the payment of money out of the funds of the Corporation, an all notes of other evidences indebtedness of the Corporation, must be signed on behalf of the Corporation the President, the Treasurer or the Board Chairman. Any such instrument for payment exceeding \$500 must contain two signatures, one of which is the President or Treasurer and the other of which is the Boar Chairman.

G. Limitation on Political Activities.

The Corporation shall not spend any public funds on political activities. Subject to the foregoing, this section is not intended to prohibit the Corporation from engaging in activities authorized by applicable law.

H. Management of Funds. [IMA § 8.04]

The Board of Directors shall designate a fiscal agent of the Corporation to manage sales proceeds, monetary contributions made by the Parties', and other Corporation funds. Standard accounting procedures shall be used in the management of Corporation accounts.

I. Audit Committee.

The Board shall elect three of its members to serve as an audit committee. The Chairman and Treasurer shall not serve on the Audit Committee. The Audit Committee shall establish procedures for engagement of an independent auditor to be appointed by the Board. The Audit Committee shall: (1) pre-approve all audit services provided by the independent auditor; (2) review and approve the Corporation's audited financial statements, associated management letter, report on internal controls and any other communications from the independent auditor; (3) meet with the independent auditor to discuss significant issues that may arise during the course of an audit; and (5) at least annually review ethics and financial disclosure statement of all officers and employees.

J. Compliance with Public Authorities Law Article 9.

The Corporation shall comply with such requirements of Article 9 of the New York Public Authorities Law Article 9 as are applicable to land banks.

Travel Policy.

This policy is adopted in accordance with Public Authorities Law § 2824 (1) (b).

POLICY:

1. Applicability.

This policy shall apply to every director of the Niagara Orleans Regional Land Improvement Corporation and all officers and employees thereof.

2. Approval of Travel

All official travel for which a reimbursement will be sought must be approved by the Executive Director prior to such travel. Provided, however, in the instance where the Executive Director will seek reimbursement for official travel, such travel must be pre-authorized by the Chairman of the Board.

3. Payment of Travel.

The Corporation will reimburse all reasonable expenses related to meals; travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Corporation. It is the traveler's responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

4. Travel Expenses.

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at a standard mileage reimbursement rate as set by the Internal Revenue Service. Meals will be reimbursed at actual expense or a per diem rate, whichever is less. Lodging will be reimbursed at actual expense up to certain daily rate caps established for various locations. The applicability of such caps shall be determined on a case by case basis taking into consideration availability of lodging and other extenuating circumstances. Reimbursement for miscellaneous expenses shall be determined on a case by case basis. Mileage rates, per diem allowances and lodging caps will be established from time to time and amended by the Treasurer. A travel expense voucher reporting all expenses pertaining to a particular approved trip must be submitted to the Treasurer of the Corporation within 45 days of the end of the trip.

5. Approval.

All determinations made pursuant to this section shall be made by the Treasurer. In the instance where such determinations regard the travel of the Treasurer, the President shall make such determinations.

Defense and Indemnification.

SECTION 1 - AUTHORIZED INDEMNIFICATION.

(a) Unless clearly prohibited by law the Niagara Orleans Regional Land Improvement Corporation (hereinafter 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 testator or intestate), whether before or after adoption of this Section:

(i) is or was a Director or Officer of the Corporation; or

(ii) in addition is serving or served, in any capacity, at the request of the Corporation, as Director or Officer of any other corporation, or any partnership, joint venture, trust, Employee benefit plan or other enterprise.

(b) 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 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 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. 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 parties.

SECTION 4 - INDEMNIFICATION OF OTHERS.

Unless clearly prohibited by law the Board may approve Corporation indemnification and/or advancement of expenses as set forth in By Laws, Article VII Sections 1 and 3 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 the court the Board shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to Corporation By-laws. Before indemnification can occur the Board must explicitly find that such indemnification will not violate Article VII, Section two of Corporation By-Laws. No Director or Officer 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 shall act only after receiving the opinion of independent legal counsel that indemnification is proper under the circumstances and Corporation By-laws.

SECTION 6 - BINDING EFFECT.

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

SECTION 7 - INSURANCE.

The Corporation is authorized to purchase Directors' and Officers' liability insurance, if approved by the Board. To the extent permitted by law, such insurance may insure the Corporation for any obligation it incurs as a result of 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 as well as for liabilities against which they are not entitled or permitted to be indemnified by the Corporation.

SECTION 8 – NON-EXCLUSIVE RIGHTS.

The provisions within corporation By-Law Article VII 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 Corporation with any Director, Officer, employee or volunteer and provide them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in Article VII, subject in all cases to the limitations of Section 2 Article VII.