

BY-LAWS
OF
BUSINESS ASSOCIATION OF THE SOUTH WEDGE AREA, INC.

ARTICLE I - NAME AND PURPOSE

The name of this organization is Business Association of the South Wedge Area, Inc. (the "Corporation") and its purpose is to promote the common interests of and improve business conditions generally in the area of Rochester, New York, commonly known as the South Wedge, as more specifically set forth in its Certificate of Incorporation.

ARTICLE II - MEMBERSHIP

2.1 Individual Members. Membership in the Corporation shall be open to individuals who own or operate a business within the following boundaries in Rochester, New York:

East side of the Genesee River to 490E; South on Clinton Avenue to Gregory Street; South on South Avenue to Reservoir Street and South on Mt. Hope Avenue to Reservoir Street.

and to individuals who actively do business with people or businesses within the above boundaries.

2.2 Organizational Members. In addition to individuals, the Corporation shall admit as members other organizations operating within the above boundaries, including, but not limited to, private business enterprises, not-for-profit groups, neighborhood organizations, and agencies of the local, state and federal governments. An organizational member may be represented by a person designated by it from time to time to exercise its membership rights as may be necessary or appropriate.

2.3 Membership Applications and Contributions. Any person or organization may become a member upon application to the Corporation, acceptance of such membership

application by the Corporation and payment of an initial membership contribution. Thereafter, a person or organization may continue as a member of the Corporation in good standing by payment of an annual membership contribution. The initial and annual membership contributions shall be such amounts as may be determined to be appropriate from time to time by the Corporation's Board of Directors (the "Board") in its sole discretion. The Board may establish various levels of membership contributions corresponding to various levels of participation in the Corporation.

ARTICLE III - MEETINGS OF MEMBERS

3.1 Annual Meeting. A regular annual meeting of the Corporation's members shall be held in the City of Rochester, State of New York during the month of **June** of each year for the purposes of electing directors and officers and transacting such other business as may come before such meeting. The date and time of each regular annual meeting shall be determined by the Board and publicized in accordance with these By-Laws.

3.2 Regular Meetings. In addition to the annual meeting, there shall be such other regular meetings of the members during each calendar year in Rochester, New York as the members or the Board may determine. The dates and times of such regular meetings shall be determined by the Board and publicized in accordance with these By-Laws.

3.3 Special Meetings. A special meeting of the Corporation's members shall be called by the President at any time upon vote of the majority of the Board or upon petition to the President of ten percent (10%) of the members. Such meeting shall be held no later than thirty (30) days after such vote or receipt of petition by the President. At special meetings of the members, only such business as stated in the vote or petition for and notice of such meeting shall be transacted.

3.4 Notice of Meetings. Notice of each annual, regular and special meeting of members shall be given in writing to each member at least ten (10) days, but not more than fifty (50) days, before such meeting. Written notice of any such meeting shall specify the place, date and hour of the meeting, and, in the case of a special meeting, the business to be transacted at such meeting. Such notice shall be effective upon personal delivery or mailing of same to a member's usual business or residence address. The notice requirement for any meeting of members shall be deemed waived by any member by his or her attendance at the meeting unless such member openly objects to the lack of notice at the earliest possible time at the meeting and does not otherwise participate in the meeting. Notice may also be waived at any time before or after such meeting.

3.5 Quorum. At any meeting of members, regular, annual or special, the presence of that number of members entitled to cast one hundred (100) votes or ten percent (10%) of the total number of votes to be cast, whichever is less, shall constitute a quorum for the transaction of any business at such meeting, and, except as otherwise set forth herein, a vote of the majority of members present and voting at the time of the vote shall be the act of the members. Each member shall be entitled to one (1) vote. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until further notice to any absent members and until a quorum is present. The President or, in his or her absence, the Vice-President shall preside at all meetings of members.

ARTICLE IV - BOARD OF DIRECTORS

4.1 Powers. The Board shall have the power to conduct, manage and control the affairs and business of the Corporation and shall be charged with the responsibility of accomplishing its aims and objectives.

4.2 Compensation. The directors shall receive no compensation from the Corporation for their services as directors; but, in the sole discretion of the Board, a

director may receive reasonable reimbursement for actual expenses incurred in the performance of his or her duties as a director. The Board shall also have the authority to reasonably compensate a director for services rendered to the Corporation in other than his or her capacity as a director or officer.

4.3 Election and Number. Directors shall be elected annually by the members of the Corporation at each annual meeting. Such directors shall be elected from a slate of nominees presented by the Nominating Committee with the required notice of meeting and from nominating petitions submitted to the Nominating Committee in writing at least ten (10) days prior to the annual meeting, which petitions shall have been signed by ten percent (10%) or more of the Corporation's members. The number of directors constituting the entire Board shall be no less than three (3), nor more than **six (6)**, including one (1) ex-officio member who shall be the Corporation's immediate past President. The outgoing President of the Corporation shall serve as an ex-officio member of the Board for one (1) year immediately following the expiration of his or her term of office, regardless of the expiration date of his or her term as an elected director. No director may be elected for more than two (2) consecutive terms. All directors shall be active members of the Corporation during their terms of office.

4.4 Term All directors shall be elected for one (1)-year terms. Any director may be removed with or without cause by a vote of the majority of the members of the Corporation or by a vote of two-thirds (2/3) of the entire Board, at any regular or special meeting of the Board called for that purpose.

4.5 Vacancies. Any vacancy occurring on the Board may be filled by a vote of the majority of the remaining directors, even though such majority may be less than a quorum or a majority of the entire Board; and such person filling the vacancy shall hold office until the next regular annual meeting of the members and the election and qualification of his or her successor. At such annual meeting a person shall be nominated and elected by the members to fill the unexpired term, if any, of the director causing the

vacancy. Such unexpired term shall be deemed to be a complete term for purposes of determining the maximum number of terms permitted by Section 4.3 of these By-Laws.

4.6 Resignation. A director may resign at any time by giving written notice to the Board, the President or the Executive Director of the Corporation. Unless otherwise specified in such written notice, the resignation shall take effect upon receipt thereof by the Board or such officer, and acceptance of the resignation shall not be necessary to make it effective.

4.7 Regular Meetings. Regular meetings of the Board shall be held at least once a month; the exact date and time of such meetings to be determined by act of the Board. Written notice of such regular meetings need not be given if the place, date and hour has been previously scheduled by the Board at a regular or special meeting.

4.8 Special Meetings. A special meeting of the Board may be called by the President at any time and shall be called upon written request of three (3) directors to the President. Such meeting shall be held no later than ten (10) days after receipt of such request by the President. Notice of such special meeting shall be given in writing or orally in person or by telephone to each director at least two (2) days before the meeting. Written or oral notice of any special meeting shall specify the place, date and hour of such meeting.

4.9 Waiver of Notice. The notice requirement for any meeting of the Board, regular annual or special, shall be deemed waived by any director by his or her attendance at the meeting, unless such director openly objects to the lack of notice at the earliest possible time at the meeting and does not otherwise participate in the meeting. Notice may also be waived in writing at any time before or after such meeting.

4.10 Quorum. At any meeting of the Board, regular, annual or special, a majority of all of the directors shall constitute a quorum for the transaction of any business at such

meeting, and, except as otherwise set forth herein, a vote of the majority of the directors present and voting at the time of the vote shall be the act of the Board. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until further notice to any absent directors and until a quorum is present. The President or, in his or her absence, a Vice-President, shall preside at all meetings of the Board.

4.11 Participation in Meetings by Telephone. Any one or more members of the Board or of any committee may participate in a meeting of the Board or such 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 at the meeting.

4.12 Action Without Meeting. Any action required or permitted to be taken by the Board or of any committee may be taken without a meeting if all members of the Board or committee consent in writing to the adoption of a resolution authorizing the action. The resolution and written consent thereto by the members of the Board or applicable committee shall be filed with the minutes of the proceedings of the Board or committee.

4.13 Records. The Board and each committee shall maintain a complete record of all business transactions, minutes and acts. The Board shall also maintain a complete record of proceedings of the members of the Corporation and shall present at the regular annual meeting of the members of the Corporation the annual report required by Section 519 of the New York Not-for-Profit Corporation Law and Article VII, Section 3, of these By-Laws.

ARTICLE V - OFFICERS

5.1 Officers of the Corporation. The members shall elect a President, one or more Vice Presidents, a Treasurer and a Secretary. All officers shall serve at the pleasure of the members and shall be elected members of the Board during their terms of office, except for the Secretary who may, but shall not be required to be, a director. Any two or more offices may be held by the same person, except for the offices of President and Secretary. Officers of the Corporation shall be elected for one (1) year terms at each Annual Meeting of the members. No person shall be elected to the same office for more than two (2) terms during any one five (5) year period. The members may also elect such other officers as they may deem appropriate. The following elected officers of the Corporation shall have the responsibilities hereinafter set forth:

a. President and Vice-President. The President shall preside at all meetings of the members, the Board and the Executive Committee and shall perform such other duties as the Board may direct. The President generally shall have such powers and duties as are customary and incidental to the highest elected officer of an organization. In the absence of the President, a Vice-President shall perform all of the duties of the President. Each Vice President shall serve as the chair of a committee of the Board or as a Director At-Large with duties assigned by the Board.

b. Secretary. The Secretary shall attend all meetings of the Board and members and shall cause the minutes and all votes in such proceedings to be recorded in books to be maintained for such purposes. The Secretary shall give or cause to be given the required notice of all meetings of the members and the Board, shall be the custodian of the seal of the Corporation, shall affix the seal to any instrument so authorized by the Board and shall cause to be kept all of the documents and records of the Corporation, as required by law or otherwise, in a proper and safe manner. The Secretary shall have such other powers and duties as may from time to time be properly prescribed by the Board or the President.

c. Treasurer. The Treasurer shall be responsible for the keeping of correct and complete books and records of accounts for the Corporation and for the furnishing of monthly reports to the Board setting forth the Corporation's financial status. Subject to the control and direction of the Board and such officers as the Board may designate, the Treasurer shall be responsible for the establishment and execution of programs and plans for the provision of funds required by the Corporation. The Treasurer shall be responsible for maintaining banking arrangements to receive, hold and disburse funds of the Corporation. The Treasurer shall, as required, invest the funds of the Corporation and establish and coordinate policies for investment in appropriate accounts. The Treasurer shall have such other powers and duties as may from time to time be properly prescribed by the Board.

5.2 Operating Officers and Staff. The Board may appoint and employ salaried operating officers and staff for the Corporation as further set forth in this Article. No salaried operating officer or staff member shall be a member of the Board.

a. Executive Director. The Board may hire and appoint an Executive Director who shall be the chief operating officer of the Corporation. The Executive Director shall serve at the pleasure of the Board and be subject to its general control and direction. In general, the Executive Director shall have all of the powers and perform all of the duties incident to the office of general manager together with such other powers and duties as may from time to time be properly prescribed by the Board, except that the Executive Director may not serve as Secretary of the Corporation.

b. Subordinate Officers and Staff. In order to assist the Executive Director, the Board and all committees in their functions, the Board, upon the recommendation of the Executive Director, may elect or appoint one (1) or more salaried subordinate officers or staff members at a level immediately below that of the Executive Director to serve at the pleasure of the Board. All other staff appointments for the

Corporation may be made by the Executive Director as authorized by the Board and as may be deemed necessary or appropriate from time to time.

5.3 Compensation. The Board shall fix the compensation of the Executive Director and any other subordinate operating officers as may be appointed. The Board may further authorize the Executive Director to fix the compensation of such subordinate employees of the Corporation as he or she may be authorized to employ.

5.4 Resignation. An officer of the Corporation or an operating officer may resign with or without stating a reason therefor at any time by giving written notice to the Board, the Executive Committee or the President. Such resignation shall take effect at the time specified in the notice or, if no time is specified, upon delivery.

5.5 Removal. Any officer of the Corporation or operating officer may be removed from office, with or without cause, by the vote of a majority of the members or two-thirds (2/3) of the entire Board at any regular or special meeting called for such purpose.

5.6 Vacancies. Officer vacancies occurring for any reason may be filled by a majority vote of the directors at any special or regular meeting of the Board of Directors. Any person so elected shall hold office until the next regular annual meeting of the members and the election and qualification of his or her successor.

ARTICLE VI - COMMITTEES

6.1 Executive Committee. The Board may establish an Executive Committee which shall consist of all elected officers. Subject to the restrictions upon the power of committees in general set forth in Section 6.7 of this Article, the Executive Committee shall have and may exercise all of the power and authority of the Board between meetings of the Board. The Executive Committee in conjunction with the Personnel Committee shall evaluate and report to the Board the performance of the Executive Director, review and recommend staff and personnel policies, and recommend staff salaries. The Executive Committee shall also provide advice to the Board and have such other powers as may be granted to it by the Board, subject to the limitations specifically enumerated in Section 6.7. The President shall chair the Executive Committee.

6.2 Finance Committee. The Board may establish a standing Finance Committee composed of the Treasurer, at least two (2) other directors and such other members of the Corporation who shall be appointed by the Board. The Finance Committee shall be responsible for the supervision and control of the Corporation's financial affairs and shall be generally responsible for devising and implementing the Corporation's fund raising activities. The Finance Committee shall report to the Executive Committee or the Board as required by either body.

6.3 Program Committee. The Board may establish a standing Program Committee composed of at least three (3) directors and such other persons as it deems appropriate to plan and carry out the general activities and programs of the Corporation. The Program Committee shall report to the Board or the Executive Committee as required by either body.

6.4 Personnel Committee. The Board may establish a standing Personnel Committee composed of at least a Vice President, _____ (___) other directors and such other members as the Board may deem appropriate. The Personnel Committee shall have

the responsibility to evaluate and report to the Board and Executive Committee the performance of the Executive Director, review and recommend staff and personnel policies and recommend staff salaries. It shall report to the Executive Committee or the Board as required by either body.

6.5 Nominating Committee. At least once each year, the Board shall establish a nominating committee composed of two (2) to four (4) persons for the purpose of identifying, screening, and nominating persons to serve as officers and directors of the Corporation. The Nominating Committee shall present a proposed slate of officers and directors to the Board and obtain its approval prior to its submission of such slate to the members at the annual meeting. The Nominating Committee shall be convened annually or as needed and shall report to the Board as requested. All nominating committees shall develop appropriate procedures for the consideration and nomination of qualified candidates who are not currently serving as officers or directors of the Corporation and who are representative of the community and population served by the Corporation.

6.6 Membership Committee

6.7 Miscellaneous, Special or Ad Hoc Committees. The Board may, in its discretion, establish such other committees of the Corporation and of the Board as it may see fit from time to time for the purpose of accomplishing particular tasks consistent with the Corporation's purposes. Such committees shall carry out assignments as may be approved by the Board and shall report periodically to the Board on the nature and progress of their work.

6.8 General Powers. Each committee of the Corporation and of the Board shall have the powers granted to it by the Board, except that no committee, including the Executive Committee, shall have authority as to the following matters:

- a. The election of officers;

- b. The filling of vacancies on the Board or on any committee;
- c. The amendment or repeal of these By-Laws, the Certificate of Incorporation or the adoption of new By-Laws;
- d. The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.

Each committee shall serve at the pleasure of the Board and the Board, subject to the applicable provisions of these By-Laws, shall have the authority at any time to change the membership of any committee, to fill vacancies in it, or to dissolve it. All committees shall report to the Board whenever requested by the Board to do so and shall keep regular minutes of their meetings. At any meeting of a committee, a majority of all members of the committee shall constitute a quorum for the transaction of any business at such meeting, and a vote of the majority of the members present and voting at the time of the vote shall be the act of the committee. The President of the Corporation shall be a member, ex officio, of all committees.

ARTICLE VII - INDEMNIFICATION

7.1 Officers and Directors. The Corporation shall indemnify any person made a party to any action or proceeding by reason of the fact that he or she is or was a director or officer of the Corporation, including operating officers, and any director or officer of the Corporation, including operating officers, who served any other organization, corporation, partnership, joint venture or trust in any capacity at the request of the Corporation, in the manner and to the maximum extent permitted in Article 7 of the New York Not-for-Profit Corporation Law as amended from time to time.

7.2 Corporate Personnel. The Corporation may, in the discretion of the Board, indemnify all corporate personnel of the Corporation, other than directors and officers, in the same manner and to the same extent as any director or officer shall be indemnified as

aforesaid by reason of his or her being, or having been, an employee of the Corporation or having served any other organization, corporation, partnership, joint venture or trust as aforesaid.

ARTICLE VIII - FINANCES

8.1 Bank Accounts. The President and the Treasurer each shall have the authority to establish bank accounts on behalf of the Corporation upon such terms and conditions as may be authorized by the Board.

8.2 Bills, Notes, etc. All checks, demands for money and notes or other instruments evidencing an indebtedness or other obligation of the Corporation shall be made in the name of the Corporation and shall be signed on behalf of the Corporation by the Treasurer or any other officers or persons as the Board may from time to time designate.

8.3 Investments. The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors, without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction; provided, however, that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction or would result in the denial of any exemption from taxation under the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

ARTICLE IX - EXEMPT ACTIVITIES

Notwithstanding any other provision of these By-Laws, no member, director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(6) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

ARTICLE X - PUBLIC MEETINGS

All meetings of the Corporation, of the Board and of any committee shall be open to the public, except for such meetings of the Executive Committee and of the Board, as either entity, in its sole discretion and by majority vote, shall determine to be held in executive session.

ARTICLE XI - AMENDMENTS

11.1 Amendment by Board. These By-Laws may be altered, amended, or repealed by a two-thirds (2/3) vote of the entire Board at any regular, annual or special meeting called for such purpose. If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of the members for the election of directors the by-law so adopted, amended or repealed, together with a concise statement of the changes made.

11.2 Amendment by Members. These By-Laws may also be altered, amended, or repealed by a majority vote of the members of the Corporation present and voting at any annual meeting or at any special meeting called for that purpose.

11.3 Amendment of Certificate of Incorporation. The Certificate of Incorporation of the Corporation may be amended in the same manner as amendments to the By-Laws of the Corporation may be effected.