

**BYLAWS OF THE TENAFLY BUSINESS IMPROVEMENT
DISTRICT MANAGEMENT CORPORATION**

ARTICLE I

Name, Principal Office, and Registered Agent

Section 1. Name. The name of this corporation shall be the Tenafly Business Improvement District Management Corporation (hereinafter referred to as “Corporation”).

Section 2. Principal Office. The principal office shall be determined from time to time by the Board of Directors of the Corporation. The principal office of the Corporation shall always be in the State of New Jersey.

Section 3. Registered Office and Agent. The Corporation shall have and continuously maintain a registered office and a registered agent in the State of New Jersey as required by the State of New Jersey Nonprofit Corporation Act. The registered agent shall be either an individual resident of the State or a corporation authorized to transact business in the State.

ARTICLE II

Purposes, Authority, and Prohibitions

Section 1. Purpose. The Corporation is organized to operate exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or corresponding provision(s) of any future United States Internal Revenue laws) and more specifically to:

- (a) Foster economic development, encourage revitalization, and strengthen the economic and commercial contributions of the Special Improvement District (the “District”) identified in Section 2 of Borough of Tenafly Ordinance Number 08-25 (the “Enabling Ordinance”);
- (b) Allow all those who live, work or invest in the District to contribute to the improvement of the District;
- (c) Foster the building of a non-political, nonpartisan private/public partnership to implement the improvement of the District;
- (d) Foster and create self-help programs to improve the local business climate;
- (e) Take needed and necessary actions to improve the aesthetic, physical, economic and cultural contributions of the District to the Borough of Tenafly;
- (f) To disseminate information of and promote interest in the preservation, history, culture, architecture and public use of the District in an independent and non-political manner;

- (g) To hold meetings, seminars and other activities for the instruction of members and the public in those activities such as building rehabilitation and design, economic restructuring and planning management that foster the preservation and economic vitality of the District and enhance the understanding and appreciation of its history, culture and architecture;
- (h) To aid, work with and participate in the activities of other organizations, individuals and public and private entities within and outside Tenafly engaged in similar purposes; and
- (i) To solicit, receive and administer funds for educational purposes and to that end to take and hold by bequest, devise, gift, grant, purchase, lease or otherwise, either absolutely or jointly with another person or corporations, any property, real, personal, tangible or intangible, or deal with the principal or the income thereof in such manner as, in the judgment of the corporation's directors, will best promote the purposes of the corporation without limitation, except such limitation, if any as may be contained in the instrument under which such property is received, the bylaws of the corporation, or any laws applicable thereto.

Section 2. Authority. The Corporation shall have all powers necessary and requisite to effectuate the purposes of Corporation as permitted by law, including but not limited to the power to:

- (a) Adopt by-laws, subject to the approval of the Tenafly Mayor and Council, for the regulation of the affairs and the conduct of business, and to prescribe rules, regulations and policies to further the performance of its functions and duties;
- (b) Employ such persons as may be required and to fix and pay their compensation from funds available;
- (c) Apply for, accept, administer and comply with the requirements respecting and appropriation of funds or a gift, grant or donation of property or money;
- (d) Make and execute agreements which may be necessary or convenient to the exercise of the powers and functions of the District, including contracts with any person, firm, corporation, government agency or other entity;
- (e) Administer and manage its own funds and accounts and pay its own obligations;
- (f) Borrow money from private lenders not to exceed 180 days and from government entities for that or longer periods;
- (g) Fund the improvement of the exterior appearance of properties in the District through grants or loans;

- (h) Fund the rehabilitation of properties in the District;
- (i) Accept, purchase, rehabilitate, sell, lease or manage property in the District;
- (j) Enforce the conditions of any loan, grant, sale or lease made by the District;
- (k) Provide security, sanitation and other services to the District, supplemental to those provided normally by the Borough;
- (l) Undertake improvements designed to increase the safety or attractiveness of the District to businesses which may wish to locate there or to visitors to the District, including but not limited to litter cleanup and control, landscaping, parking areas and facilities and those improvements generally permitted for pedestrian malls under N.J.S.A. 40:56-66, pursuant to pertinent regulations of the Borough of Tenafly;
- (m) Publicize and promote the District and the businesses included within the District boundaries;
- (n) Recruit new businesses to fill vacancies and to balance the business mix of the District;
- (o) Organize special events in the District;
- (p) Provide special parking arrangements for the District;
- (q) Provide temporary decorative lighting in the District; and to
- (r) Take any other actions that are necessary and proper to achieve the purposes of this Section and that are otherwise permitted by law.

Section 3. Prohibitions.

- (a) The Corporation shall not carry on propaganda or otherwise attempt to influence legislation except as an insubstantial part of its activities. The Corporation shall not engage in any transaction or permit any act or omission which shall operate to deprive it of its tax-exempt status under Section 501(c)(3) of the Code. The Corporation shall not, in any manner or to any extent, participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office, nor shall it engage in any "prohibited transaction" as defined in Section 503(b) of the Internal revenue Code of 1986. In the event of dissolution or liquidation of the Corporation, any assets of exempt organizations as described in Code Section 501(c)(3), or as the Board of Directors shall determine, such assets are to be used for purposes consistent with those described herein.

- (b) No part of the net earnings of the Corporation shall inure to the benefit of any member of the Corporation or other private individual except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered herein except that members of the Board of Directors are prohibited from having an employment and/or independent contractor relationship with the Corporation, directly or indirectly, and no member of the Board of Directors shall have an ownership interest in any entity, business and/or partnership, directly or indirectly, that does business with the Corporation, and no member of the Board of Directors shall receive a salary, compensation or remuneration for any activity connected with the Corporation. None of the property of the Corporation shall be distributed directly or indirectly to any member of the Corporation or Board of Directors, except in fulfillment of its charitable and educational purposes enumerated herein.

- (c) Notwithstanding any other provision of these articles, this organization shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future tax codes.

ARTICLE III Program Area

Section 1. District Area. The Corporation shall, consistent with the corporation's designation by the Borough of Tenafly, serve as the district management corporation for the Tenafly Business Improvement District created by the Enabling Ordinance, as the same may be amended from time-to-time.

ARTICLE IV Membership

Section 1. All the property owners of assessed properties within the District shall constitute the members of the Corporation (each, a "Member", and collectively, the "Members"). Except as otherwise provided in these By-laws, the Members' authority shall be limited to the election of certain directors and serving on committees. If a Member is a corporation, limited liability company, partnership, or any other business entity, the Member shall designate, in writing, one person who shall have full power and authority on behalf of the Member to attend, act and vote at any meeting of the Members and/or to participate as otherwise provided in these By-laws. For the purpose of maintaining a list of Members, the Corporation shall maintain a list of all assessed property owners based upon the Borough's then current property ownership roll.

Section 2. No Transfers of Membership Interests. Membership in the Corporation is not assignable or transferable, in whole or in part, except by virtue of a change of ownership of a property that is designated as part of the District and listed on Schedule A of the Enabling Ordinance, as amended from time-to-time.

Section 4. Annual Meeting. The annual meeting of the Members shall be held during the third week of January of each year, on such specific date and at such time and place as shall be designated by the Board of Directors. The Annual Meeting, however, shall not take place prior to the January reorganization meeting of the Tenafly Mayor and Council. The Secretary of the Corporation shall cause to be mailed to every member of the Corporation at his/her address as it appears on the membership roll book of the Corporation, a notice stating the time and place of each Annual Meeting, not less than thirty (30) days prior to the date of the meeting. The date, time and place of the annual meeting shall also be published on the websites of the Corporation and the Borough of Tenafly no later than ten (10) days prior to the scheduled Annual Meeting.

Section 5. Delinquent Assessments. Any Member who shall be at any time more than thirty (30) days delinquent in the payment of any assessment or other payment requirement pursuant to the Enabling Ordinance shall, in addition to any penalties set forth in the Enabling Ordinance, be barred from any vote of the Members conducted during the period of such delinquency.

ARTICLE V Board of Directors

Section 1. Powers. There shall be a Board of Directors of the Corporation, which shall supervise and control the business, property, and affairs of the Corporation, except as otherwise expressly provided by law, the Articles of Incorporation of the Corporation, or these Bylaws. The current Board of Directors terms shall expire on December 31, 2012, and new Directors shall be elected or appointed in the manner set forth by law and carried out by the current Board of Directors.

Section 2. Number and Qualifications. The number of Directors ("Directors" is used herein to refer to "Trustees" as such term is defined in the New Jersey Nonprofit Corporation Act, N.J.S.A. 15A:1-1, et. seq.) constituting the Board of Directors shall be eleven (11) voting Directors (the "Voting Directors"). The policies, activities, and affairs of the Corporation shall be determined and managed by the Board of Directors who shall exercise all the powers of the Corporation and shall keep full and fair accounts of all its transactions, and formulate and approve the yearly budget of the Corporation.

Section 3. Classes of Directors. The Voting Directors shall be divided into four (4) classes:

- (a) The "Class A Director" shall consist of one (1) person who shall be a member of the Borough Council and who shall be appointed annually by the Borough Council at the first meeting of the Council in January. There shall be only one member of the Borough Council on the Board.
- (b) The "Class B Directors" shall consist of two (2) persons who either work, own property in the District, or reside in the Borough of Tenafly who shall be appointed by the Borough Council. The appointment shall be made at the

first meeting of the Council in January of each year in which a Class B Director is to be appointed.

- (c) The "Class C Directors" shall consist of five (5) persons to be elected by the majority vote of the Members as defined herein. The Board of Directors shall establish a nominating process and procedure for Class C Directors, which assures that all Members shall have a fair chance to seek election as a Class C Director. Each Member shall be entitled to one (1) vote for each Class C Director position for which an election is being held.
- (d) The "Class D Directors" shall consist of three (3) Members to be appointed by the Board as set forth in Section 5 of this Article.

Section 4. Terms of Service.

- (a) The Class A Director shall serve for a term of one (1) year;
- (b) The Class B Directors shall each serve for a term of one (1) year.
- (c) Two Class C Directors shall serve until December 31, 2014, and the other three shall serve until December 31, 2015, and they shall be elected every third year thereafter.
- (d) The Class D Directors shall serve respectively until December 31, 2013, December 31, 2014, and December 31, 2015, and each shall be elected every third year thereafter.

Section 5. Election of Directors.

- (a) The Class A Director shall be appointed by the Tenafly Borough Council at the first meeting of the Mayor and Council in January of each year. The Term of each Class A Director shall commence upon the expiration of his or her predecessor's term.
- (b) The Class B Directors shall be appointed by the Tenafly Borough Council at the first meeting of the Mayor and Council in January of each year. The Term of each Class B Director shall commence upon the expiration of his or her predecessor's term.
- (e) The Class C Directors shall be elected by a majority vote of the Members. Not less than thirty (30) days prior to the date of the Annual Meeting, the Secretary shall cause to be mailed to every Member at his/her address a ballot form together with clear and concise voting instructions. Each Member shall cast no more than one (1) vote for each Class C Director. The written ballots shall be mailed or delivered to the Tenafly Borough Clerk such that they are received on or before the deadline for submission, which shall be clearly and conspicuously indicated ballot form and in the voting instructions. Within forty-eight hours after the voting deadline the Borough

Clerk shall tally the votes and communicate the results to the Secretary. The results shall remain confidential until announcement at the Annual Meeting. The term of each Class C Director declared to be elected at each Annual Meeting shall commence immediately.

- (f) The Class D Directors shall be elected by majority vote of the Directors at the last Board meeting of year, which shall be held during the month of December. The term of each Class D Director shall commence upon election.

Section 6. Resignation. Any director may resign at any time by giving written notice to the President of the Corporation. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the President of the Corporation.

Section 7. Removal. Any director may be removed from such office, with or without cause, by not less than a two thirds (2/3) majority vote of the fully constituted Board at any regular or special meeting of the Board called expressly for that purpose. Further, the failure of any director who, without good cause or satisfactory explanation, shall miss three (3) consecutive regularly scheduled meetings of the Board; or during any calendar year shall miss thirty three percent (33%) of the scheduled Board meetings; or fail to participate in committees, committee assignments or board projects, may be subject to suspension or removal from the Board.

Section 8. Vacancies. Vacancies shall be filled by majority vote of the remaining members of the Board of Directors for the unexpired term.

Section 9. Meetings.

- (a) Annual Meeting. The Annual Meeting of the Board of Directors of the Corporation shall be held each year, at such time, day and place as shall be designated by the Board of Directors. The Secretary shall cause to be mailed to each director at his or her residence a notice stating the time, date and place of the Annual Meeting. Such notice shall comply with Article XI, Section 2 of these By-laws and shall be given at least twenty (20) days prior to the Annual Meeting.
- (b) Regular Meetings. Regular meetings of the Board of Directors shall be held at least six (6) times per year, as scheduled at any directors' meeting by the directors, and no additional notice of the time, date, and place of such regularly scheduled meetings need to be given to any director.
- (c) Special Meetings. Special meetings of the Board of Directors may be called by the President or by any five (5) directors. Notice of the time, date, and place of such special meeting shall be given to each director not more than twenty (20) days, nor less than two (2) days, before the meeting, by delivering the same at his or her residence or usual place of business, or by contacting him or her by telephone and e-mail. Any notice of a special meeting shall state the business to be transacted.

- (d) Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
- (e) Telephone Participation. Any director may vote and otherwise participate in a meeting of the Board of Directors by means of a telephone conference call or any other means of communication by which all persons participating in the meeting are able to hear each other. A director so participating in a meeting of the Board of Directors shall be counted for quorum purposes. However, no more than two directors shall simultaneously participate in such a manner.

Section 10. Manner of Acting. Except as otherwise expressly required by law, the Articles of Incorporation of the Corporation, or these Bylaws, the affirmative vote of a simple majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except that in the instance of the adoption of the annual budget or the action to remove a director, the affirmative vote of not less than two-thirds (2/3) of the fully-constituted Board is required. Each director shall have one vote. Voting by proxy shall not be permitted.

Section 11. Unanimous Written Consent In Lieu of a Meeting. At the President's request, the Board may take action, if it deems necessary, and on an emergency only, without a meeting if written consent, including the receipt and acknowledgement of said proposed action, is provided electronically (via e-mail) by and to all Board Members and is received and acknowledged by a simple majority of the directors.

Section 12. Conflicts of Interest.

- (a) In the event any director has a conflict of interest that might properly limit such director's fair and impartial participation in Board deliberations or decisions, such director shall inform the Board as to the circumstances of such conflict. If those circumstances require the non-participation of the affected director, the Board may nonetheless request from the director any appropriate non-confidential information which might inform its decisions. "conflict of interest," as referred to herein, shall include but shall not be limited to, any transaction by or with the Corporation in which a director has a direct or indirect personal interest, or any transaction in which a director is unable to exercise impartial judgment or otherwise act in the best interests of the corporation.
- (b) No director shall cast a vote, nor take part in the final deliberation in any matter in which he or she, members of his or her immediate family, or any organization to which such director has allegiance, has a personal interest that may be seen as competing with the interest of the Corporation. Any director who believes he or she may have such a conflict of interest shall so notify the Board prior to deliberation on the matter in question, and the Board shall make the final determination as to whether any director has a conflict of interest in any matter. The minutes of the Board meeting shall

reflect disclosure of any conflict of interest and the recusal of the interested director.

- (c) No employee of the Corporation may serve as a member of the Board of Directors.

Section 13. Term Limits. No director shall serve more than three consecutive terms or six years, whichever is less. Service to the Corporation, if desired, may resume only after one full year lapse in service.

ARTICLE VI Officers

Section 1. Officers. The officers of the Corporation shall consist of a President, a Vice President, a Secretary, and a Treasurer. The Corporation may have such other assistant officers as the Board of Directors may deem necessary and such officers shall have the authority prescribed by the Board. One person shall not hold two offices, with the exception of Secretary-Treasurer, which may be filled by the same person. Officers must be members of the Board of Directors.

Section 2. Election of Officers. The officers of the Corporation shall be elected by the directors at the Annual Meeting of the Board of Directors.

Section 3. Term of Office. The officers of the Corporation shall be installed at the Annual Meeting at which they are elected and shall hold office for a term of one year, or until their respective successors shall have been duly elected.

Section 4. Resignation. Any officer may resign at any time by giving written notice to the Chair of the Board. Such resignation shall take effect at the time specified in the notice, or if no time is specified, then immediately.

Section 5. Removal. Any officer may be removed from such office, with or without cause, by a majority vote of the directors at any regular or special meeting of the Board called expressly for that purpose.

Section 6. Vacancies. A vacancy in any office shall be filled by the Board of Directors for the unexpired term.

Section 7. President. The President shall preside at all meetings of the Board of Directors. He or she shall have general charge and supervision of the activities and affairs of the Corporation; when authorized by the Board of Directors, he or she may sign and execute in the name of the Corporation, all authorized instruments, except in cases in which the signing and execution thereof shall have been expressly delegated by resolution of the Board of Directors to some other officer or agent of the Corporation. The President shall serve as an ex-officio member of all committees.

Section 8. Vice President. The Vice President, at the request of the President, or in his or her absence, or during his or her inability to act, shall perform the duties and exercise the

functions of the President, and when so acting shall have such other duties as may be assigned to him or to her by the President and/or the Board of Directors.

Section 9. Secretary. The Secretary shall (a) keep the minutes of the meetings of the Board of Directors in books provided for such purposes, (b) see that all notices are duly given in accordance with the provisions of the By-laws or as required by law, (c) be custodian of the records of the Corporation, (d) see that the corporate seal is affixed to all documents which require said seal and which he or she has been authorized to execute on behalf of the Corporation and when so affixing may attest to the same, and (e) in general, perform all duties as, from time to time, may be assigned to him or to her by the Board of Directors or the President.

Section 10. Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts, and disbursements of the Corporation, and shall deposit or cause to be deposited in the name of the Corporation all monies and other valuable effects in such bank, or other depositories as shall, from time to time, be selected by the Board of Directors. Whenever requested, he or she shall provide an account of the financial condition of the Corporation, and, in general, shall perform all duties incident to the office of a treasurer of a corporation and such other duties as may be assigned to him or to her by the Board of Directors or the President.

Section 11. Compensation. Officers of the Corporation shall not receive any compensation for their services as such, but by resolution of the Board of Directors, individual officers may be reimbursed for any actual expenditures which may be incurred while engaged in the Corporation's business.

ARTICLE VII Committees

Section 1. The Executive Committee. Between meetings of the Board of Directors at the discretion of the Board, an Executive Committee may be established to oversee the day-to-day operations of the Corporation, the membership of which shall be as set forth in a resolution of the Board. The Executive Committee shall consist of the President, Vice President, Treasurer and Secretary, and any of the Directors appointed by the President.

Section 2. Standing Committees. The following Committees shall be standing Committees of the Corporation: Nomination, Finance, Development and Marketing. The Chair of this Committee shall be elected by the Board of Directors. All Board members are required to Chair a Committee or Task Force, or serve as Vice Chair of a Committee.

Section 3. Additional Duties. The President may request that one Director assume the additional responsibilities of another for a period of one (1) month when a vacancy occurs on the Board. The Board of Directors may request a longer commitment if the office remains unfilled.

Section 4. Other Committees and Task Forces. The Board of Directors may create and appoint members to such other committees and task forces, as they shall deem

appropriate. Such committees and task forces shall have the power and duties designated by the Board of Directors, and shall give advice and make non-binding recommendations to the Board.

Section 5. Term of Office. Each member of a committee shall serve for one year until the next annual meeting of the Board of Directors and until a successor is appointed, unless the committee is sooner dissolved.

Section 6. Vacancies. Vacancies in the membership of committees may be filled by the Chair of the Board.

Section 7. Removal. Any member of a committee may be removed from such committee, with or without cause, by a majority vote of the directors at any regular or special meeting of the Board called expressly for that purpose.

Section 8. Rules. Each committee and task force may adopt rules for its meetings not inconsistent with these By-laws or with any rules adopted by the Board of Directors.

ARTICLE VIII District Administrator

Section 1. District Administrator. A District Administrator shall be hired to manage the daily operations of the Corporation and who shall be responsible for coordinating the implementation of the Corporation's policies and projects and such other duties as the Board of Directors may require.

Section 2. Compensation. The Administrator shall receive such compensation as may be determined by the Board of Directors and as shall be set forth in the Corporation's Annual Budget approved by the Tenaflly Mayor and Council.

ARTICLE IX Finances

Section 1. Checks. Except as the Board of Directors may generally, or in particular cases, authorize the execution thereof in some other matter, all checks, drafts, and other instruments for the payment of money and all instruments of transfer of securities shall be signed by the Treasurer and one officer. In the absence of the Treasurer, any two officers may sign.

Section 2. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 3. Contributions. The Board of Directors may accept on behalf of the corporation any contributions, gift bequest, or devise for the general purposes or for any special purposes of the Corporation.

Section 4. Budget. Each year the Board of Directors, by an affirmative vote of a majority of the Directors then in office, shall approve and adopt the Corporation's Annual Budget (which shall consist of, among other things, an estimate of the cost of operating, maintaining and annually improving the District) for the next fiscal year. The Annual Budget shall be reasonably itemized and shall include a summary of the categories of cost properly chargeable in accordance with N.J.S.A. 40:56-80. On or before December 31st the President shall submit the Annual Budget to the Tenafly Mayor and Council for subsequent review and approval.

Section 5. Loans by Corporation. The Corporation shall not lend any part of its assets, property or income to any incorporator, director or officer of, or any substantial contributor to, the Corporation, to any member of the family of any such person or to any corporation controlled by any such person; nor shall the Corporation pay any compensation in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered to any such persons or corporations; nor shall the Corporation make any substantial purchase of securities or other property from any such persons or corporations for other than an adequate consideration in money or money's worth; nor shall the Corporation engage in any other transaction which results in substantial diversion of its assets, property or income to any such persons or corporations.

Section 6. No Capital Stock. The Corporation shall not have capital stock, and no stock or shares shall be issued. No incorporator, director or officer shall at any time be considered to be the owner of any of the assets, property or income of the Corporation, nor shall he or she, by distribution, liquidation, dissolution, or in any manner, be entitled to or receive any said assets, property or income, all of which shall be devoted exclusively and forever to the purposes of the Corporation or disposed of as herein provided. The Corporation is not organized and shall not operate for profit, and no part of its net earnings shall inure or may lawfully inure to the benefit of any incorporator, director, officer or individual. The above provisions, however, shall not prevent the payment of reasonable compensation to any person, organization, firm or corporation for services rendered to the Corporation.

Section 7. Distributions. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject the Corporation to the tax provided by Section 4942 of the Code. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, shall not retain any excess business holdings as defined in Section 4943(c) of said Code, and shall not make any taxable expenditures as defined in Section 4945(d) of said Code. The references herein to the Code shall include regulations issued thereunder and the corresponding provision of subsequent United States Internal Revenue laws and regulations. None of the property of the Corporation shall be distributed directly or indirectly to any director or officer of the Corporation except in fulfillment of its charitable and educational purposes enumerated herein.

Section 8. Annual Audit. There shall be prepared annually, a full and correct statement of the affairs of the Corporation, including a balance sheet and statement of operations for the preceding fiscal year, audited and certified by an independent Certified Public Accountant, which shall be completed and filed with the Tenafly Mayor and Council within four (4) months after the close of the fiscal year of the Corporation. The Corporation shall

also cause an Annual Report to be prepared by the District Administrator or such other executive officer of the Corporation as may be designated by the Board of Directors which shall detail the activities of the Corporation in the preceding year and within thirty (30) days after the close of each fiscal year, the same shall be filed with the Tenafly Mayor and Council.

ARTICLE X Indemnification, Excuplation, and Insurance

Section 1. Indemnification of any person who is a Director, officer, employee or corporate agent of the Corporation shall be provided to the fullest extent permitted by N.J.S.A. 15A:3-4 as same may be amended or modified and any successor statute thereto or any other applicable provision of law. Such indemnification shall include, without limitation, indemnification against the actual amount of net loss, including counsel fees, reasonably incurred by or imposed upon him or her in connection with such action, except as to matters for which he or she shall be ultimately found in such action to be liable for gross negligence or willful misconduct. In the event of any settlement of such a case, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.

Section 2. Unless acting in bad faith, neither the Board of Directors nor any Director, officer or corporate agent shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his or her office. Each Member shall be bound by the good faith actions of the Board of Directors, officers and corporate agents of the Corporation, in the execution of the duties and powers of said Directors, officers and corporate agents. However, nothing contained herein shall be construed so as to exculpate Directors, or any of them, from discharging their fiduciary responsibilities.

Section 3. The Board of Directors may also authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability incurred by him which arises out of such person's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the person against that liability under law.

Section 4. This Article is subject to N.J.S.A. 15A:3-4 as same may be amended or modified and any successor statute thereto. Nothing in this Article shall be construed so as to conflict with or violate the terms of N.J.S.A. 15A:3-4. Any and all requests for indemnification under this Article shall be made, and shall be heard and decided by the Board of Directors, in accordance with the applicable terms of N.J.S.A. 15A:3-4.

ARTICLE XI Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the Borough of Tenafly.

Section 2. Notice. Whenever under the provisions of these Bylaws notice is required to be given to a director, officer, or committee member, such notice shall be given in writing by first-class mail or overnight delivery service with postage prepaid to such person at his or her address as it appears on the records of the Corporation. Such notice shall be deemed to have been given when deposited in the mail or the delivery service. Notice may also be given by facsimile, electronic mail, or had delivery, and will be deemed given when received.

Section 3. Corporate Seal. The Board of Directors shall provide a suitable seal, bearing the name of the Corporation, which shall be in the custody and charge of the Secretary.

Section 4. Bonds. The Board of Directors may require any officer, agent or employee of the Corporation to give a bond to the Corporation conditioned upon the faithful discharge of his or her duties with one or more sureties and in such amount as may be satisfactory to the Board of Directors.

Section 5. Amendments. A motion to amend, alter, repeal or enact a new Bylaw may be introduced, considered and discussed, but not voted on, at any meeting of the Board of Directors, provided that notice of such meeting was given to each director, by certified mail, no more than thirty (30) days nor less than ten (10) days prior to such meeting and such notice included a full written statement of the exact language of the motion and the time, place and date of the meeting when the motion will be introduced. Provided the above said motion is duly seconded, the Chairman shall fix and announce a subsequent meeting date of the Membership within a reasonable number of days when the motion shall be brought to a vote before the Membership. An affirmative vote of the majority of the Members present and voting at such subsequent meeting shall be required to approve said motion. The procedures and notice requirements of this section shall apply irrespective of any contrary provisions which may be contained in these By-laws. No action shall be taken if it would in any way adversely affect the Corporation's qualifications under Section 501(c)(3) of the Code or corresponding sections of any prior or future law. Furthermore, no amendment to these Bylaws shall become effective unless and until approved by way of a resolution passed by the Governing Body of the Borough of Tenafly.

Section 6. Robert's Rules of Order. Robert's Rules of Order (in its most recent edition) shall be the parliamentary authority for all matters of procedure not specifically covered by these By-laws or by other specific rules of procedure adopted by the directors of the Corporation.

Section 7. Force and Effect of By-laws. These By-laws are subject to the provisions of the New Jersey Non-Profit Corporation Act (the "Act"), the Enabling Ordinance, and the Certificate of Incorporation of the Corporation, as the same may be amended from time-to-

time. If any provision in these By-laws is inconsistent with a provision of the Act, the enabling Ordinances, or the Certificate of Incorporation, the provision of the Act, the enabling Ordinance(s) or the Certificate of Incorporation shall govern to the extent of the inconsistency.