BY-LAWS

of the

LONG ISLAND POWER AUTHORITY

As amended December 20, 2016

Long Island Power Authority
333 Earle Ovington Blvd., Suite 403
Uniondale, New York 11553

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LONG ISLAND POWER AUTHORITY

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ARTICLE I

Offices

Section 1. **Principal Office**. The principal office of the Long Island Power Authority (hereinafter referred to as the "Authority") shall be its Uniondale, Long Island, New York Office.

Section 2. **Other Offices**. The Authority may also have offices at such other places as the Trustees may from time to time determine or the business of the Authority may require.

Section 3. **Books and Records**. Except as otherwise determined by the Trustees, or as the business of the Authority may require, all books and records of the Authority shall be kept at its principal office.

ARTICLE II

Trustees

Section 1. **Number, Term, Appointment and Vacancies**. The number and term of Trustees and the appointment and process of filling vacancies shall be governed by Title I-A of Article 5 of the Public Authorities Law, Chapter 517 of the Laws of New York, 1986 (the "LIPA Act"), as amended by Chapter 173 of the Laws of New York, 2013 (hereinafter referred to as the "LIPA Reform Act").

Notwithstanding the foregoing, a Trustee who shall have failed to attend six consecutive meetings of the Trustees or at least fifty percent of the meetings of the Trustees during a consecutive 12-month period shall thereupon and without further action be deemed to have resigned as a Trustee of the Authority.

Section 2. **Powers and Duties**. The powers and duties of the Trustees shall be governed by the LIPA Act, the LIPA Reform Act and any other applicable provisions of the Public Authorities Law, including Title 2 of Article 9, Chapter 766 of the Laws of New York, 2005, as amended.

ARTICLE III

Trustees' Meetings

Section 1. **Place of Meetings**. Meetings of the Trustees shall be held at the principal office of the Authority or at such other place as the Chair may from time to time designate.

Section 2. **Meetings**. Meetings of the Trustees may be called by the Chair or upon the request of any six (6) Trustees. The Secretary shall give notice of the time, place and purpose or purposes of each meeting by mail at least three (3) days before the meeting or in person or by telephone, email or facsimile at least two (2) days before the meeting to each Trustee. The notice required to be given under this section may be waived by the Trustee to whom such notice is

required to be given. Attendance of a Trustee of the Authority at a meeting without objection shall constitute waiver of notice of the meeting.

Section 3. **Quorum**. As set forth in Section 2826 of the Public Authorities Law, five (5) Trustees of the Authority shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority and shall only have the power to act by a vote of five (5) Trustees.

Section 4. **Adjournment of Meetings**. A majority of Trustees, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of such adjourned time and place shall be given to each Trustee not present at such meeting or, if no announcement of such adjourned time and place was made at such meeting, at least three (3) days' notice of the newly scheduled meeting must be given to all Trustees. No such adjournment shall be used to defeat a notice provision.

Section 5. **Open Meetings.** All meetings of the Trustees shall be conducted in compliance with the provisions of the Open Meetings Law, set forth in Article 7 of the Public Officers Law.

Section 6. **Consent Agenda.** To make more efficient use of meeting time, the Chair, or the Trustee performing the duties of the Chair, is authorized to place items on a consent agenda as part of the regular meeting agenda. The consent agenda will condense into either a single motion or several categorical motions routine, ministerial, non-controversial, or self-explanatory items including, for example, approval of the minutes from previous Board meetings or award of non-material contracts. Items on a consent agenda will not be discussed prior to action. However, if any Trustee believes that any item placed on the consent agenda by the Chair requires discussion, that Trustee may remove the item from the consent agenda by requesting same. The exempted item then moves to the regular agenda, and the Trustees may take action as they deem appropriate.

ARTICLE IV

Officers and Employees

Section 1. **Chair, Vice Chair and Officers**. The Chair shall be chosen by the Governor of New York State from among the Trustees in accordance with the LIPA Reform Act. A Vice Chair may be elected by the Trustees. The Authority shall have the following officers: a Chief Executive Officer, a Chief Financial Officer, a General Counsel, a Secretary and a Controller, all of whom shall be employees of the Authority. The Authority may also have such other officers (including assistant and acting officers) and agents as the Chief Executive Officer may deem necessary or desirable, all of whom shall be employees of the Authority. Neither the Chair nor any Vice Chair shall simultaneously hold the position of any officer in the Authority.

Section 2. **Election and Appointment of Officers**. The Chief Executive Officer, Chief Financial Officer, and General Counsel of the Authority shall be elected by the Trustees. The Chief Executive Officer shall appoint the Secretary and Controller of the Authority and may appoint such other officers as he or she may from time to time deem necessary or desirable.

Section 3. **Term of Office**. Except as the Trustees may otherwise specify, officers of the Authority shall hold their respective offices until their respective successors shall have been duly elected or appointed, as the case may be, or until their earlier resignation, removal or death.

Section 4. **Vacancies**. A vacancy occurring for any reason in any office of the Authority elected by the Trustees may be filled at any time by the Trustees. A vacancy for any reason in any office appointed by the Chief Executive Officer may be filled at any time by the Chief Executive Officer for such term as he or she shall determine or until such officer's earlier resignation, removal or death. In the event of the absence, disability, incapacity or resignation of the Chief Financial Officer or General Counsel, the Chief Executive Officer may appoint a member of the Authority's staff to perform such duties on an interim basis until the termination of such absence, disability or incapacity or until a successor is elected by the Trustees.

Section 5. **Emergency Succession of the Chief Executive Officer.** In the event of the absence, disability, incapacity or resignation of the Chief Executive Officer, the Chief Financial Officer shall perform the duties of the Chief Executive Officer until the termination of such absence, disability or incapacity or until a successor Chief Executive Officer is elected by the Trustees. In the event the Chief Financial Officer is unable to perform the duties of the Chief Executive Officer due to the Chief Financial Officer's absence, disability, incapacity or resignation, or in the event the Chief Financial Officer is unwilling to perform the duties of the Chief Executive Officer, the General Counsel shall perform the duties of the Chief Executive Officer until the termination of such absence, disability or incapacity or until a successor Chief Executive Officer is elected by the Trustees. In the event the General Counsel is unable to perform the duties of the Chief Executive Officer due to the General Counsel's absence, disability, incapacity or resignation, or in the event the General Counsel is unwilling to perform the duties of the Chief Executive Officer, then the Trustees shall designate another officer to perform the duties of the Chief Executive Officer until a successor Chief Executive Officer is elected by the Trustees.

Section 6. **Removal**. Any officer elected by the Trustees shall be subject to removal at any time by the Trustees with or without cause. Any officer appointed by the Chief Executive Officer shall be subject to removal at any time by the Chief Executive Officer with or without cause.

Section 7. **Powers and Duties**. The Chair, Vice Chair, and each officer elected by the Trustees shall have such authority and perform such duties, in addition to those specified in these By-Laws, as may be prescribed by the Trustees from time to time. The Trustees may from time to time authorize the Chair, Vice Chair, or any officer to appoint and remove any other officer or agent and to prescribe such person's authorities and duties. Except as otherwise provided in these By-Laws or by law, any person may hold no more than two offices at one time.

A. **Chair**. The Chair shall preside at all meetings of the Trustees and shall exercise such duties and powers as hereinafter described and as customarily pertain to the Office of Chair, including responsibility for the leadership and good governance of the Authority's Board. Such duties include appointing the membership of Board committees, preparing agendas for Board meetings that facilitate decision making, and managing the governance and policy setting processes of the Board, with a focus on defining the mission and values of the Authority through Board-approved policies. The Chair may also have such other duties and responsibilities as the Trustees may from time to time assign. The Chair may delegate to the Vice Chair, the Chief

Executive Officer, or the Chief Financial Officer, or any other officer or officers such of the Chair's powers and functions as he or she may deem appropriate from time to time to the extent consistent with applicable law. Such delegation shall continue until affirmatively revoked by the then-current Chair or the Trustees.

B. **Vice Chair**. The Vice Chair shall possess such powers and shall perform such duties as may be assigned to him from time to time by the Trustees. The Vice Chair is empowered to be Acting Chair in the absence, disability, incapacity or vacancy in the office of the Chair and shall assume the powers and perform all duties of the Chair if the Chair is unable or unavailable to perform such duties for any reason.

C. **Chief Executive Officer**. The Chief Executive Officer of the Authority, subject to such supervision as the Trustees may exercise, shall have such duties and powers as hereinafter described and as customarily pertain to the office of the Chief Executive Officer, including serving as the primary liaison and interface on behalf of the Authority with the Trustees. Except as may be prescribed by the Trustees, the Chief Executive Officer shall have general supervision and control over the property, business and affairs of the Authority and over its several officers, employees and agents, including its service providers and other contractors, and is responsible for advancing the mission and modeling the values of the Authority as defined by the Board, directing the implementation of the policies and decisions of the Board, as well as the Authority's internal operations. The Chief Executive Officer may sign, execute and deliver in the name of the Authority powers of attorney, contracts, agreements, leases, notes, checks, drafts, bonds, obligations and such documents other than those required by these By-Laws, law or resolution to be executed by the Chair and/or the Secretary. Except as may be otherwise provided in these By-Laws, the Chief Executive Officer may delegate powers and duties to those officers as the Chief Executive Officer shall determine appropriate consistent with applicable law. Such delegation shall continue until affirmatively revoked by the then-current Chief Executive Officer or the Trustees.

D. **Chief Financial Officer**. The Chief Financial Office r shall have general custody of all funds and securities of the Authority and have general supervision of the collection and disbursement of Authority funds and shall endorse on behalf of the Authority for collection checks, notes and other obligations, and shall deposit the same to the credit of the Authority in such bank or banks or depositories as the Chief Executive Officer may designate, and shall perform such other duties as customarily pertain to such office as may be assigned from time to time by the Chief Executive Officer, subject, however, at all times to the supervision and control of the Chief Executive Officer, or the officer performing the duties of Chief Executive Officer, and subject further to any limitations which the Chief Executive Officer, or the officer performing the duties of Chief Executive Officer, may from time to time prescribe.

E. **General Counsel**. The General Counsel shall be the chief legal officer of the Authority and in that capacity shall advise and represent the Authority and its Trustees in their capacity as such generally in all legal matters and proceedings, including legislative proceedings, and possess such powers and shall have general supervision over the property, business and affairs of the legal office of the General Counsel and shall perform such other duties as customarily pertain to such office or as may be from time to time assigned by the Chief Executive Officer or the Trustees, subject, however, at all times to the supervision and control of the Chief Executive Officer, or the officer performing the duties of Chief Executive Officer, and the Trustees, and subject further to any limitations which the Chief Executive Officer, or the officer performing the

duties of Chief Executive Officer, may from time to time prescribe.

F. **Secretary**. The Secretary shall attend all meetings of the Trustees and act as Secretary thereof and record all votes and shall keep a record of the proceedings of the Trustees in a Minute Book to be kept for that purpose. The Secretary shall cause notice to be given of all meetings of the Trustees and shall be custodian of the records of the actions of the Trustees and shall keep in safe custody the seal of the Authority and shall have the authority to affix such seal to all documents and papers authorized to be executed by the Trustees or officers of the Authority requiring such seal to be affixed. The Secretary shall attest to the signatures of the Trustees and officers of the Authority and shall have the authority to cause copies to be made of all minutes, resolutions, records and documents of the Authority and to deliver certificates under seal to the effect that such copies are true and accurate and that all persons dealing with the Authority may rely on same. The Secretary shall possess such powers and perform such other duties as customarily pertain to the office or may be from time to time assigned by the Chief Executive Officer, or the officer performing the duties of Chief Executive Officer, subject, however, at all times to the supervision, control of and any limitations prescribed by the Chief Executive Officer, or the officer performing the duties of Chief Executive Officer, as appropriate.

G. **Controller**. The Controller shall be the principal accounting officer of the Authority, unless another individual shall be so designated by the Trustees. The Controller shall be responsible for maintaining the accounting records of the Authority and for preparing necessary financial reports and statements, and the Controller shall properly account for all moneys and obligations due the Authority and all properties, assets, and liabilities of the Authority. The Controller shall render to the Chief Executive Officer, or their designee, such periodic reports covering the result of operations of the Authority as may be required by Chief Executive Officer, or their designee. The Controller shall have such other duties as may from time to time be prescribed by the Trustees or the Chief Executive Officer or their designee.

Section 8. **Personnel**. Subject to the restrictions of the LIPA Reform Act and any policies established by the Trustees, the Chief Executive Officer may from time to time appoint employees (other than those officers elected by the Trustees) as he or she may deem necessary to exercise the powers, duties and functions of the Authority as prescribed by law. The selection, qualification, and compensation of such employees shall be determined by the Chief Executive Officer, subject to the laws of the State of New York and any compensation policies established by the Trustees. The Chief Executive Officer shall report annually to the Trustees on the staffing of the Authority but retains sole authority to make all decisions related to employees that are not appointed by the Trustees.

Section 9. **Outside Experts**. Financial advisors, accountants, auditors, engineers, attorneys and other consultants may be retained on a contract basis or otherwise for rendering professional or technical services or advice by the Chief Executive Officer or his or her designee consistent with the terms of the Authority's procurement guidelines. Such outside experts shall perform their designated duties under the direct supervision of the Chief Executive Officer or his or her designee.

ARTICLE V

Committees

Section 1. **Finance and Audit Committee**. The Finance and Audit Committee shall consist of not less than three (3) Trustees appointed by the Chair, all of whom shall be "independent" within the meaning of Section 2825(2) of the Public Authorities Law. To the extent practicable, its members shall be familiar with corporate financial and accounting practices and possess the necessary skills to understand the duties and functions of the Finance and Audit Committee.

The Finance and Audit Committee shall review and make recommendations to the Trustees as to the engagement of and compensation to be paid to the Authority's independent certified accountants, who shall be selected in accordance with the LIPA Reform Act (or other applicable State law), and the Authority's general accounting and internal control systems and policies and practices. The Finance and Audit Committee will have responsibility to directly oversee the performance of the audits performed by the Authority's independent accountants and to review the results of the annual internal control review and changes in accounting policies that may be required. The Finance and Audit Committee will present these results and changes with their recommendation to the Trustees. Any audit of the Authority by the State or any other agency which is conducted and results in the issuance of interim and/or formal reports shall also be reported to the Finance and Audit Committee for conveyance to the Trustees. The Finance and Audit Committee shall also review and make recommendations concerning the Authority's budgets, the management and investment of all funds of the Authority, the Authority's financial and investment policies, and proposals for the issuance of debt by the Authority.

Section 2. **Governance Committee**. The Governance Committee shall consist of not less than three (3) Trustees appointed by the Chair, all of whom shall be "independent" within the meaning of Section 2825(2) of the Public Authorities Law and possess the necessary skills to understand the duties and functions of the Governance Committee. The Governance Committee shall keep the Trustees informed of current governance best practices, review corporate governance trends, update the Authority's corporate governance policies, advise the Governor, Majority Leader of the Senate and Speaker of the Assembly on the skills and experience required of potential Trustees, examine ethical and conflict of interest issues, perform board self-evaluations, and recommend amendments to these By-laws.

Section 3. **Personnel and Compensation Committee**. The Personnel and Compensation Committee shall consist of not less than three (3) Trustees appointed by the Chair, all of whom shall be "independent" within the meaning of Section 2825(2) of the Public Authorities Law. The Personnel and Compensation Committee shall review and make recommendations to the Board of Trustees with respect to monitoring the Authority's staffing needs and developing and monitoring the implementation of policies and procedures related to employment at the Authority, including those designed to attract and retain valuable employees. The Personnel and Compensation Committee shall recommend for approval by the Trustees the compensation of the Chief Executive Officer, Chief Financial Officer, and General Counsel.

Section 4. **Oversight Committee**. The Oversight Committee shall consist of not less than three (3) Trustees appointed by the Chair, all of whom shall be "independent" within the meaning of Section 2825(2) of the Public Authorities Law. The Oversight Committee shall be responsible for monitoring the service provider's operational and financial performance, including oversight of the same provided by the staff of the Authority, and the implementation of recommendations made pursuant to management and operations audits. The Oversight Committee shall review the Authority's operational and financial oversight process and report to the Trustees and others related to its findings.

Section 5. **Other Committees.** The Chair or the Trustees may appoint other committees which shall have and may exercise such powers as shall be authorized by the Chair or Trustees. For those Committees appointed by the Chair, notice of the purpose and scope of such committees will be provided to the Trustees.

Section 6. **Ex-Officio Committee Member**. For any committee appointed by the Chair or Trustees, the Chair shall be an ex-officio member who has the right, but not the obligation, to participate in the proceedings of the committees and vote on any action to be taken. Such ex-officio membership shall not, however, be counted for purposes of determining whether a quorum of the committee exists, but the Chair's vote shall be counted in determining whether a proposed committee action has been approved or disapproved by the requisite vote.

ARTICLE VI

Corporate Seal

Section 1. **Seal**. The seal of the Authority shall be a design symbolizing its activities and shall be surrounded by the words "Long Island Power Authority" as shown by the following impression of such seal:

ARTICLE VII

Fiscal Management

Section 1. **Fiscal Year**. The Trustees shall have the power to fix, and may from time to time change by resolution, the fiscal year of the Authority. Unless otherwise fixed by the Trustees, the calendar year shall be the fiscal year.

Section 2. **Budgets**. The Trustees shall adopt such operations and maintenance budgets and capital budgets as necessary to support the Authority's and any subsidiaries' operations and departments, in accordance with the LIPA Reform Act.

Section 3. **Expenditure and Contract Authorization Procedures**. The Trustees shall adopt expenditure and contract authorization procedures which shall govern the budget, contract executions and all approved authorizations.

ARTICLE VIII

Execution of Instruments

Section 1. **Execution of Instruments**. The Chief Executive Officer, except as otherwise provided in these By-Laws, may authorize any officer, employee or agent (including himself) to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such power to execute and deliver may be general or specific; unless so authorized and except as otherwise provided herein, no officer, employee or agent shall have any power or authority to bind the Authority by any contract or engagement or pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

ARTICLE IX

Amendment

Section 1. **Amendment**. The Trustees shall have the power to amend, alter or repeal any provision or provisions of these By-Laws at any meeting; provided that written notice of the intention to consider a resolution amending the By-Laws shall have been given to all Trustees at least three (3) days prior to such meeting.

ARTICLE X

Indemnification of Trustees, Officers and Employees

Section 1. **Purpose and Definitions**. The purpose of this Article is to provide for indemnification of Trustees, officers and employees of the Authority so as to encourage the service of the most competent and civic-minded persons to effectuate the purposes of the Act. In this Article, the following terms shall have the meanings indicated below:

(1) "action or proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, defense, settlement and appeal of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative;

(2) "party to an action or proceeding" means a person made, or threatened to be made, a defendant or respondent or otherwise a party in an action or proceeding, and includes a person called upon, voluntarily or by subpoena, to give testimony, produce documents or respond to interrogatories in connection with any action or proceeding;

(3) "Trustee" means each Trustee of the Authority appointed pursuant to the LIPA Reform Act, including the Trustee designated as Chair;

(4) "officer" means each officer of the Authority hired pursuant to the LIPA Act and these By-Laws;

(5) "employee" means each employee of the Authority who is not also an officer;

(6) "Trustee," "officer" and "employee" of the Authority each includes persons who formerly served in such capacity and the estates of deceased persons who had served in such capacity, and the legal or personal representative of such persons;

(7) "Authority" shall include any wholly owned subsidiary created or acquired in accordance with section 1020-i of the LIPA Act; and

(8) "applicable standard of conduct" means that the Trustee, officer or employee seeking to be indemnified hereunder acted (or omitted to take action) in good faith for a purpose which he or she reasonably believed to be in the best interests of the authority and, in criminal actions or proceedings, had reasonable cause to believe his or her action or inaction was lawful; and in no case shall any acts or omissions by the Trustee, officer or employee which may be determined to constitute negligence, recklessness, or gross negligence be deemed violative of the applicable standard of conduct. Furthermore, the termination of any action or proceeding by judgment, settlement, conviction or upon plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Trustee, officer or employee did not act in accordance with the. applicable standard of conduct.

Section 2. **General Scope of Indemnification**. The Authority hereby confers the benefits of Section 18 of the New York Public Officers Law ("POL § 18") on the Authority's Trustees, officers and employees and agrees to be held liable for the costs thereof. Further, the Authority shall, to the fullest extent permitted by law, including, but not limited to, POL § 18, indemnify and hold harmless any person who becomes a party to an action or proceeding by reason of the fact that he or she is or was a Trustee, officer or employee of the Authority against judgments, penalties, amounts paid in settlement and reasonable expenses, including attorney's fees actually and necessarily incurred as a result thereof, unless the conduct of such Trustee, officer or employee in the matters at issue in such action or proceeding is found by a final judgment of a court of applicable jurisdiction, in the manner prescribed in the Article, not to have met the applicable standard of conduct.

Neither the failure of the Authority (including its Trustees or counsel) to have made a determination that the person seeking indemnification or advancement of expenses is entitled to indemnification or advancement of expenses in the circumstances nor an actual determination by the Authority (including its Trustees or independent legal counsel) that the person seeking indemnification or advancement of expenses is not so entitled shall be a defense to an action or

create a presumption that the person seeking indemnification or advancement of expenses is not so entitled.

Section 3. **Representation of Persons Indemnified**. Where not otherwise inconsistent with law, the Authority may, either by its own in-house counsel or by outside counsel of its choice, assume the representation of any person entitled to indemnification by the Authority who becomes a party to an action or proceeding, except in situations in which the Authority's Chief Executive Officer or counsel determines that it is a conflict or otherwise inappropriate or inadvisable for such person to be represented by counsel chosen by the Authority. In the event that the Authority does not assume such representation, such person shall have the right to engage private counsel of his or her choice and the Authority shall have the obligation of indemnification for the reasonable fees and expenses of such private counsel as provided in this Article; provided however, that the Authority as a condition to such indemnification for the cost of private counsel may, and where the Attorney General has so required as a condition to indemnification by the State of New York shall, require appropriate groups of persons to be represented by the same counsel except when there is a conflict.

Section 4. **Advances of Expenses**

(a) A Trustee, officer or employee who becomes a party to an action or proceeding may request that the Authority advance expenses pending the final disposition of such action or proceeding. Upon such request, the Authority shall promptly pay, from time to time in advance of the final disposition of the action or proceeding, reasonable expenses as described in Section 2 of this Article X incurred by such Trustee, officer or employee in connection with such action or proceeding.

(b) The Authority shall require each person receiving amounts under paragraph (a) of this Section 4 to agree in writing that the same shall be repaid if the person receiving such advance is ultimately found not to be entitled to indemnification, or to the extent the expenses so advanced by the Authority exceed the indemnification to which he or she is ultimately found to be entitled.

Section 5. **Indemnification on Final Disposition**

(a) A person who has been wholly successful, on the merits or otherwise, in the defense of an action or proceeding shall be deemed to have met the applicable standard of conduct and shall be entitled to indemnification against reasonable expenses as described in Section 2, and the Authority shall make such indemnification without necessity for any authorization, findings or other action by the Trustees prior to such indemnification.

(b) A Trustee, officer or employee who has not been wholly successful in the defense of an action or proceeding, or who was a party to an action or proceeding without being a defendant or respondent therein, may request indemnification from the Authority. Upon such request: (i) if there is a quorum of Trustees who are not parties to such action or proceeding, the Board shall make a finding as to whether the requesting Trustee, officer or employee has met the applicable standard of conduct; or (ii) if such a quorum of Trustees is not obtainable with due diligence, the Board shall obtain an opinion in writing of outside legal counsel as to whether

such standard of conduct has been met by the requesting Trustee, officer or employee. If a quorum of Trustees makes such finding or outside legal counsel gives such opinion, the Board shall authorize, and the Authority shall make, indemnification as provided in Section 2, upon a determination by the Trustees (or a person or body designated by the Trustees) that expenses sought be to indemnified were reasonable and actually and necessarily incurred as a result of the action or proceeding, and that any amounts paid in settlement (unless approved by the Trustees prior to such settlement) were reasonable in the circumstances.

Section 6. **Insurance**. The Authority may purchase and maintain insurance, at its expense, to protect itself and any Trustee, officer or employee of the Authority against any expense, liability or loss sought to be indemnified, whether or not the Authority would have the power to indemnify such person against such expense, liability or loss under this Article.

Section 7. **Applicability of this Article**

(a) This Article is to be construed liberally in favor of each Trustee, officer or employee to the fullest extent permitted by law, and any ambiguity, uncertainty or reasonable doubt as to facts, interpretation or legal conclusions shall be resolved in favor of such Trustee, officer or employee.

(b) The provisions of this Article shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance.

(c) The provisions of this Article shall be in addition to and shall not supplant any indemnification by the State heretofore of hereafter conferred upon any Trustee, officer or employee by section 1020-bb of the LIPA Act, by applicable provisions of the Public Officers Law, or otherwise. The indemnification hereby granted by the Authority shall be in addition to and not in restriction or limitation of any other privilege or power which the Authority may lawfully exercise with respect to the indemnification or reimbursement of Trustees, officers or employees.

(d) Unless and until this Article shall be amended, supplemented or repealed in accordance with Article IX, including, without limitation, paragraph (e) below, the provisions of this Article shall constitute a contract between the Authority and each Trustee, officer or employee for indemnification in accordance with the provisions of this Article, which contract shall survive the termination of the term of service of such Trustee, officer or employee. In the event that any Trustee, officer or employee shall be aggrieved by a determination of the Authority or the Trustees or outside counsel made under this Article, or by a failure of the Authority or Trustees to act as provided herein, he or she shall be entitled to seek appropriate relief against the Authority in any court of competent jurisdiction within the State of New York in accordance with the standards for indemnification set forth herein.

(e) This Article shall be applicable to any claim for indemnification made after its adoption as a By-Law of the Authority, whether the action or proceeding to which such claim relates commenced, or the matters at issue therein occurred, before or after the adoption of this Article. It is contemplated that no subsequent amendment, supplement or repeal of this Article which deprives a Trustee, officer or employee of any substantial right or benefit conferred herein

will be made applicable with respect to any claim for indemnification arising out of conduct of such Trustee, officer or employee occurring or alleged to have occurred after the adoption of this Article and prior to such amendment, supplement or repeal.

(f) The provisions of this Article are severable, and if any section, provision, or clause of this Article or the application thereof to any person or circumstances is held unconstitutional or invalid in whole or in part by any court of competent jurisdiction, such holding of unconstitutionality or invalidity shall in no way affect or impair any other section, provision or clause of this Article or the application of any such provision to such person or circumstances or to any other person or circumstance; and the Authority shall nevertheless indemnify each Trustee, officer or employee to the fullest extent permitted by any applicable portion of this Article that shall not have been invalidated, or by any other applicable law.

ARTICLE XI

Miscellaneous

Section 1. **Employment Contracts**. The Authority may enter into employment contracts with one or more officers of the Authority.

Section 2. **Annual Reports**. The Authority shall submit and make available an annual report, as prescribed by the Public Authorities Law, within ninety days after the close of the fiscal year. The annual report shall be certified in writing by the Chief Executive Officer and the Chief Financial Officer in accordance with Section 2800 of the Public Authorities Law.

Section 3. **Severability**. In case any one or more of the provisions of these By-Laws shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of these By-Laws and the By-Laws shall be construed as if such illegal or invalid provisions had not been contained herein.

Section 4. **Governing Law**. These By-Laws shall be construed and enforced in accordance with the substantive laws of the State of New York.