

The Saratoga Casino and Raceway Foundation, Inc.

BYLAWS

ARTICLE I OFFICES

The principal offices of the Saratoga Casino and Raceway Foundation, Inc. (the “Foundation”) shall be located in the Administration Offices of Saratoga Casino and Raceway, 342 Jefferson Street, Saratoga Springs, New York 12866. The foundation may also have offices at such other place within or without this State as the Board of Directors of the Foundation may from time to time determine or the business of the Foundation may require.

ARTICLE II PURPOSES AND POWERS

Section 1. Purposes.

The purposes for which the Foundation, a not-for-profit corporation, chartered under the laws of the State of New York, is formed and functions are for the support of charitable and public benefit organizations whose mission is the betterment of the quality of life, health and welfare of the residents of Saratoga County.

The foundation shall be known as Type B corporation pursuant to Section 201 of the Not-For-Profit Corporation Law.

Section 2. Powers.

As a means of accomplishing the foregoing purposes, the Foundation shall have the following powers:

- (a) To have perpetual duration;
- (b) To accept, acquire, receive, take and hold by bequest, devise, grant, gift, purchase, exchange lease, transfer or otherwise, for any of its objects and purposes, any property, both real and personal, of whatever kind, nature or description and wherever situated;

- (c) To sell, exchange, convey, mortgage, lease, transfer, or otherwise dispose of such property, both real and personal, as the objects and purposes of the Foundation may require, subject to such limitations as may be imposed by law;
- (d) To enter into covenants and agreements and to comply with all the terms, conditions and provisions thereof, and otherwise to carry out its corporate purposes; and
- (e) To have all powers enumerated in Section 202 of the Not-For-Profit Corporation Law.

Section 3. Area.

The Foundation is organized and designed to serve the geographic area of Saratoga County and references to community or area made herein are so defined. In promulgating the purposes of the Foundation, activities will be conducted in consonance with this geographic restriction.

ARTICLE III DIRECTORS

Section 1. Number.

The number of Directors of the Foundation constituting the initial Board of Directors shall not exceed five (5), and shall not fall below five (5).

Section 2. Manner of Selection.

The manner of selecting members of the Board of Directors and filling vacancies on said Board shall be as follows:

1. The Chairman of the Saratoga County Board of Supervisors shall be a Director.
2. A member of the Saratoga County Board of Supervisors selected by the Chair of the Saratoga County Board of Supervisors shall be a Director.
3. The City Council of the City of Saratoga Springs shall select a Director.
4. The operator of Saratoga Casino & Raceway, Inc. shall select a Director.
5. The Saratoga Horseperson's Association shall select a Director.

Section 3. Term.

All Directors shall serve for a period of one year. All Directors shall serve until their respective successors are selected and qualified. Directors may be appointed to successive terms. Any Director who wishes to resign must do so in writing.

Section 4. Removal of Directors.

Directors may be removed without cause by a majority vote of the Board of Directors.

Section 5. Vacancies.

During the terms of Directors, vacancies shall be filled in the same manner as the initial selection of the vacant Director's position.

Section 6. Powers.

The Board of Directors shall manage and govern the business and affairs of the Foundation and in connection therewith, the Board of Directors may exercise all of the powers granted the Foundation herein and under the Articles of Incorporation.

Section 7. Meetings.

(a) Regular Meetings. The Board of Directors shall meet on a regular basis. The first meeting held each fiscal year shall be the annual meeting at which time elections will be held. The time and place of each regular meeting shall be fixed by the Chairperson of the Board of Directors and written notice of such time and place shall be given each Director at least ten (10) days before the selected date.

(b) Special Meetings. Special meetings may be called by the Chairperson of the Board of Directors on his/her own motion, or by the written request of any member of the Board of Directors. Written notice of the time, place and subject matter of each special meeting shall be given to each Director at least five (5) days before the meeting date, unless such notice is waived in writing or by attendance. No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

(c) Action in Lieu of Meeting. Any Board of Directors action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board of Directors shall consent to such action in writing or electronically (i.e. fax, e-mail). Such written consent shall be made a part of the minutes of the proceedings. Such action by written consent shall have the same force and effect as the unanimous vote of the Board of Directors.

(d) Conduct of Meetings. All regular and special meetings of the Board of Directors shall be conducted pursuant to Robert's Rules of Order.

Section 8. Quorum.

Three Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and except as may otherwise be required by law or the Articles of Incorporation, the act of a majority of the Directors present at that meeting at which a quorum is present shall be the act of the Board of Directors.

Section 9. Compensation.

No Director shall receive, directly or indirectly, any compensation for his or her services as a Director. The Board of Directors may authorize reimbursement of reasonable expenses incurred by Directors.

ARTICLE IV OFFICERS

Section 1. Number and Qualifications.

The Officers of the Foundation shall consist of a Chairperson of the Board of Directors, a Vice-chairperson of the Board of Directors, a Secretary and a Treasurer. The Secretary and Treasurer may be nondirectors. The Secretary and Treasurer shall be appointed by the Board of Directors and shall serve at the will of the Board of Directors. Board of Directors

may appoint such other assistant officers as it may, from time to time, determine and may define their powers and duties.

Section 2. Election.

The Officers of the Foundation shall be elected at the annual meeting of the Board of Directors and each shall hold office until the next annual meeting, or until his/her successor shall have been elected. A vacancy in any office may be filled by the Board of Directors for the balance of the vacant term.

Section 3. Duties.

The duties of the Officers of the Foundation shall be as follows:

- (a) Chairperson. The Chairperson shall preside over all meetings of the Board of Directors and shall have primary responsibility in the Foundation's relations with the Board of Supervisors. The Chairperson shall also cooperate and consult with and advise the other officers of the Foundation in the discharge of their functions, and shall serve as a standing member of each committee.
- (b) Vice-chairperson. The Vice-chairperson shall have full authority to act for the Chairperson in his/her absence or incapacity.
- (c) Secretary. The Secretary shall be responsible for reading all correspondence addressed to the Foundation at the regular meetings of the Board of Directors and responding to such correspondence on behalf of the Foundation on the official letterhead of the Foundation. The Secretary shall also be responsible for recording the minutes of the meetings of the Board of Directors of the Foundation and/or for Executive Committee meetings of such Board.
- (d) Treasurer. The Treasurer, upon the advice and consent of the Board of Directors shall be responsible for the investments and general fiscal policy of the Foundation.

ARTICLE V VOTING

Section 1. Voting. Each Director shall be entitled to one vote.

Section 2. Voting Required. All questions, except those questions the manner of deciding which is specifically prescribed by law or these by-laws, shall be determined by a majority vote of the Directors present in person at any meeting at which a quorum is present.

Section 3. Action of the Board of Directors. Unless otherwise required by law, the vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time, shall be the act of the Board of Directors. Each Director present shall have one (1) vote.

Section 4. In the event that a quorum of Board of Directors of the Foundation cannot physically attend a meeting, there is a provision for a telephonic meeting, provided a quorum is on the call and minutes are taken of the meeting.

ARTICLE VI

CONFLICT OF INTEREST/ETHICS DISCLOSURE

Section 1. Definition of Conflicts of Interest

A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Foundation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any member of his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or she or an immediate family member is a director, officer, member, partner or shareholder. Service on the board of another not-for-profit Corporation does not necessarily constitute a conflict of interest.

Section 2. Disclosure of Conflicts of Interest

An officer or member shall disclose to the Chairman and the Board a conflict of interest: (a) prior to voting on or otherwise discharging his or her duties, including discussion on such matter before the Board, with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the officer or member learns of the conflict;

Section 3. Approval of Contracts and Transactions Involving Potential Conflicts of Interest

An officer or member who has or learns about a potential conflict of interest should disclose promptly to the Chairman and the Board the material facts surrounding any actual or potential conflict of interest, including specific information concerning the terms of any contract or transaction with the Foundation. All effort should be made to disclose any such contract or transaction and have it reviewed by the Board before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board shall consider the material facts concerning the proposed contract or transaction, including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Foundation and the arrangements are consistent with the best interests of the Foundation. The Board shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair and reasonable to the Foundation.

ARTICLE VII

EXECUTION OF INSTRUMENTS

Section 1. Contracts and Instruments. Contracts and other instruments (not including routine instruments) to be executed by the Foundation shall be signed, unless otherwise required by law, by the Chairperson. The Board of Directors may authorize any person or persons, whether or not an officer of the Foundation, to sign any contract or other instruments, and may authorize any such officer or other person to delegate, in writing, all or any part of such authority to any other person or persons.

Section 2. Notes, Checks and the Like. All notes, drafts, acceptances, checks and endorsements of the Foundation shall be signed by any two (2) of the following four (4) officers: the Chairperson, the Vice-chairperson, the Secretary and the Treasurer, in such manner as the Board of Directors may from time to time determine. All evidences of indebtedness of the Foundation shall be signed by the Chairperson, Vice-chairperson and the Treasurer and such person or persons and in such manner as the Board of Directors may from time to time determine.

ARTICLE VIII GIFTS AND CONTRIBUTIONS

Section 1. Solicitations.

Contributions and gifts shall be solicited as authorized by the Foundation by representatives of the Foundation to promote, sponsor and carry out the purposes of this Foundation.

Section 2. Deposit and Use of Contributions. Unless otherwise provided by the donor, all contributions received by the Foundation shall be deposited and held by the Treasurer of the Foundation and may be used and disbursed by the Board of Directors to promote, sponsor, and carry out all purposes of the corporation.

Section 3. Restricted Gifts. The limitations and restrictions upon any grant, gift, donation, bequest or device shall be observed strictly except and unless it shall be determined by the Board of Directors that changed conditions or other reasons shall have rendered the application of the gift, donation, bequest or device for the purpose provided illegal, unnecessary or impracticable or that the purposes of the gift, donation, bequest or device have been fulfilled or become impossible of fulfillment, in which event said funds shall be administered for such other purpose of the Foundation as will best carry out the intentions of the donor or testator and as may be sanctioned by law. The Board of Directors may refuse to accept any grant, gift, donation, bequest or devise which is limited, restricted or conditioned in a manner determined to be illegal or inconsistent with the purposes of this corporation.

ARTICLE IX INDEMNIFICATION OF DIRECTORS AND OFFICERS

Any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that he/she, his/her testator or intestate, is or was a director or officer of the Foundation shall be indemnified by the Foundation against

judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him/her in connection with the defense of such action or proceeding or in connection with any appeal therein, to the extent permitted by law.

ARTICLE IX AMENDMENTS

Section 1. Power of Directors to Amend Bylaws.

Subject to the limitations of the certificate of incorporation, these bylaws, and the Not-for-Profit Corporation Law of New York, concerning corporate action that must be authorized or approved by the members of the corporation, the bylaws of this corporation may be amended, repealed or added to, or new bylaws may be adopted, by a resolution of the board of directors.

ADOPTED: AUGUST 9, 2005

Philip W. Klein, Chair
George W. Carlson, Vice-Chair
George Karam, Secretary
Robert Allen, Treasurer
Mary Ann Johnson

LIST OF AMENDMENTS

September 2005: Add Article VII-Indemnification of Officers

July 2009: Add Article VI-Conflict of Interest/Ethics Disclosure; Change Articles VI-IX to Articles VII-X.

June 2012: Amend Article I – Offices

Amend Article V – Voting, added Section 4

Changed all references from Saratoga Gaming and Raceway Foundation, Inc. to Saratoga Casino and Raceway Foundation, Inc.

