

BYLAWS

Rhode Island Housing and Mortgage Finance Corporation

ARTICLE I

PURPOSES

Section 1. Purpose of Corporation. The Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) is a public corporation of the State of Rhode Island exercising public and essential governmental functions which has a distinct legal existence from the State, and has such purposes and powers as are set forth in Chapter 55 of Title 42 of the Rhode Island General Laws of 1956, as the same is and may be amended from time to time (the “Enabling Statute”) and as otherwise provided by law.

ARTICLE II

OFFICES

Section 1. Principal Office. The principal office of the Corporation shall be located in Providence, Rhode Island. The Corporation may have such other offices or places of business, either within or outside the State of Rhode Island, as the business of the Corporation may require and as the Board of Commissioners may from time to time establish.

ARTICLE III

BOARD OF COMMISSIONERS

Section 1. Powers. The powers of the Corporation are vested in seven (7) commissioners (hereinafter sometimes referred to as the “Board of Commissioners” or the “Board”) consisting of the Director of Administration or his or her designee, the General Treasurer or his or her designee, the ~~Director of Business Regulation~~Secretary of Housing or his or her designee and four (4) members to be appointed by the Governor of the State of Rhode

Island with the advice and consent of the Senate who shall among them be experienced in all aspects of housing design, development, finance, management and state and municipal finance.

Section 2. Election and Term of Office. Each commissioner other than Director of Administration, General Treasurer and the ~~Director of Business Regulation~~ Secretary of Housing (or their designees) shall serve a four (4) year term commencing on the first day of July until such commissioner's successor is duly appointed and qualified in accordance with law. A commissioner shall be eligible to succeed himself or herself in office.

Section 3. Removal. Commissioners may be removed by the Governor for misfeasance, malfeasance or willful neglect of duty.

Section 4. Resignation. Any commissioner may resign at any time by delivering a written notice of resignation to the Governor with a copy to the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Compensation of Commissioners. Commissioners shall receive no compensation for the performance of their duties of the Corporation but each commissioner shall be reimbursed for his or her reasonable expenses incurred in carrying out such duties.

Section 6. Commissioner Designees. The Director of Administration, General Treasurer and ~~Director of Business Regulation~~ Secretary of Housing may from time to time designate other persons to carry out their functions as commissioners and to attend a meeting or meetings of the Board on their behalf. A written notice of such designation signed by the designating commissioner in such form as shall be determined by the Board shall be filed with the Chair of the Corporation.

Section 7. Code of Ethics. Commissioners shall be subject to the Corporation's Code of Ethics and Rhode Island Code of Ethics, Chapter 14 of Title 36 of the Rhode Island General Laws.

Section 8. Role and Responsibilities. Commissioners shall comply with the Quasi-Public Corporations Accountability and Transparency Act, Chapter 155 of Title 42 of the Rhode Island General Laws, as may be amended from time to time. This Act states in part that Board members shall:

- (1) Execute oversight of the corporation, the chief executive, and other management in the effective and ethical management of the corporation;
- (2) Understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the corporation;
- (3) Adopt a code of ethics applicable to each officer, director and employee of the corporation that, at a minimum, includes the standards established in chapter 14 title 36 (“Code of Ethics”);
- (4) Adopt a mission statement expressing the purpose and goals of the corporation, a description of the stakeholders of the corporation and their reasonable expectations from the corporation and a list of measurements by which performance of the corporation and the achievement of its goals may be evaluated. Each corporation shall at least once every three (3) years publish a self-evaluation based on the sated measurements;
- (5) Adopt and periodically update an indemnification policy which shall be set forth in the bylaws of the corporation; and
- (6) Perform each of their duties as board members, including but not limited to, those imposed by this section, in good faith and with that degree of diligence, care and skill which an ordinarily prudent person in like position would use under similar circumstances, and ultimately apply independent judgment in the best interest of the quasi-public corporation, its mission and the public.

ARTICLE IV

OFFICERS

Section 1. Number of Officers. The officers of the Corporation shall be a Chair, a Vice-Chair, a Secretary and a Treasurer. The Board may from time to time create such additional offices and elect from among its members individuals to serve such offices as it shall deem necessary or appropriate.

Section 2. Election, Appointment, Designation, Duties and Responsibilities of Officers.

(a) Chair. ~~The Governor shall designate a member of the Board of Commissioners to serve as Chair.~~ The Secretary of Housing by statute serves as Chair. The Chair shall supervise the business and affairs of the Corporation between meetings of the Board of Commissioners. Additionally, the Chair shall preside at meetings of the Board and shall exercise such powers and perform such other duties and functions as are set forth in these bylaws and as provided by law.

(b) Vice-Chair. In the absence of the Chair or in the event of the inability of the Chair to act, the Vice-Chair shall perform the duties of the Chair and shall perform such further duties as may be assigned by the Board from time to time. The Vice-Chair shall be elected by the Board of Commissioners from among its members at the annual meeting.

(c) Secretary. The Executive Director shall serve as Secretary of the Corporation. The Secretary shall keep a record of the proceedings of the Corporation and shall be custodian of all books, documents and papers filed with the Corporation and of the minute book and corporate seal. Additionally, the Secretary shall have authority to cause to be made copies of all minutes and other records and documents of the Corporation, and to give certificates under the seal of the Corporation to the effect that such copies are true copies. The Secretary shall have such other duties and responsibilities as may be assigned from time to time by the Board of Commissioners.

Section 3. Treasurer. The Treasurer shall serve as Chair of the Audit and Investment Banking Committee and shall perform such other duties as are given by these bylaws, or as assigned from time to time. The Treasurer shall be elected by the Board of Commissioners from among its members at the annual meeting.

Section 4. Executive Director. The Board of Commissioners shall employ an Executive Director who shall administer, manage and direct the affairs and business of the Corporation, subject to the policies, control and direction of the Board of Commissioners. The Executive Director shall serve at the pleasure of the Board of Commissioners, and the Board shall enter into such arrangements with the Executive Director, contractual or otherwise, as it shall from time to time deem appropriate and in the best interests of the Corporation.

Section 5. Other Agents and Employees. The Board of Commissioners may employ such other agents and employees as it deems appropriate or as the business of the Corporation may require.

ARTICLE V

MEETINGS OF THE BOARD OF COMMISSIONERS

Section 1. Annual Meeting. The annual meeting of the Board of Commissioners for the purpose of the election of officers and such other business as may come before the meeting shall be held on the third Thursday in September of each year, if it be not a legal holiday, and if it be a legal holiday, then on such other date as the Board of Commissioners may determine. If for any reason the annual meeting is not held on the day herein provided therefor, a special meeting may be held in lieu thereof, and any business transacted at such meeting shall have the same effect as if transacted at the annual meeting.

Section 2. Regular Meetings. Regular meetings of the Board shall be held at least ten (10) times each year at such times as the Board of Commissioners shall from time to time by resolution determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be rescheduled by the Chair to a date certain.

Section 3. Special Meetings. Special meetings of the Board for any purpose or purposes shall be held at the call of the Chair or upon the written request of any two (2) commissioners. Any such written request shall be filed with the Chair and shall state the purpose or purposes for which the meeting is being called.

Section 4. Notice of Meetings.

(a) To Commissioners. Notice of each such meeting shall be mailed to each commissioner, addressed to the Commissioner at his or her residence or usual place of business, at least two (2) business days before the day on which the meeting is to be held, or shall be sent to his or her residence or at such place of business, or shall be delivered personally, not later than the day before the day on which the meeting is to be held. Each such notice shall state the time and place of the meeting and shall also include the matters to be acted upon at such meeting. If any action is to be taken with respect to a change in the bylaws, the notice shall set

forth the full text of the provision or provisions to be altered, amended or repealed. Notice of any such meeting need not be given to any commissioner, however, if waived by such commissioner in writing, either before or after such meeting, or if such commissioner shall be present at such meeting, except where a commissioner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(b) To the Public. Notice of all meetings shall be in compliance with The Open Meetings Act, Chapter 46 of Title 42 of the Rhode Island General Laws. Written public notice of all regular scheduled meetings shall be given at the beginning of each calendar year. Supplemental written public notice of any meeting shall be given within a minimum of forty-eight (48) hours before the date. This notice shall include, in addition to date, time and place, a statement specifying the nature of the business to be discussed. In addition to electronic filing of the notice with the secretary of state, written public notice shall include, but need not be limited to, posting a copy of the notice at the principal office of the Corporation, or if no principal office exists, at the building in which the meeting is to be held, and in at least one other prominent place within the state of Rhode Island. Nothing contained herein shall prevent the Corporation from holding an emergency meeting, upon an affirmative vote of the majority of the members, when the meeting is deemed necessary where the public welfare so requires. If an emergency meeting is called, a meeting notice and agenda shall be posted as soon as practicable.

Section 5. Place of Meetings. Meetings of the Board of Commissioners may be held within or outside the State of Rhode Island at such place or places as shall be designated in the notice of the meeting. In the absence of any such designation, meetings shall be held at the principal office of the Corporation.

Section 6. Quorum. Four (4) commissioners of the Corporation shall constitute a quorum for the transaction of business at any meeting. If a quorum is not present, the commissioners then present shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present.

Section 7. Manner of Acting. The act or decision done or made by a majority of the commissioners present and voting at a meeting duly held at which a quorum is present shall be the act of the Board of Commissioners, unless a greater number is required by these bylaws or by law.

Section 8. Participation by Telephone. Except as hereafter provided, the use of electronic communication, including telephonic communication and telephone conferencing, is only permitted to schedule meetings. Notwithstanding the foregoing, a commissioner (i) who is on active duty in the armed services of the United States, or (ii) has a disability as defined in Chapter 87 of Title 42 of the General Laws of Rhode Island and meets the requirements set forth in the Open Meetings Act, may participate in a meeting by use of electronic communication or telephone communication in accordance with the process set forth in the Open Meetings Act.

ARTICLE VI

COMMITTEES

Section 1. Audit Committee. The Board of Commissioners shall by resolution establish an Audit Committee consisting of not less than four (4) members. The Audit Committee shall have authority to inquire into, and to make recommendations from time to time to the Board, as to any matter pertaining to the financial condition of the Corporation including accounting and internal audit procedures and practices. The Audit Committee shall (i) recommend to the Board the firm of independent certified public accountants engaged by the Corporation for the annual audit, (ii) consult from time to time with the selected firm with regard to the plan of audit and the adequacy of internal controls, (iii) review with the independent auditors the proposed report of the audit and accompanying management letter, and (iv) exercise such other authority delegated to it by the Board of Commissioners unless the delegation of such authority shall be prohibited by law.

The person designated as Secretary of the Audit Committee by its Chair shall prepare minutes of each Audit Committee meeting and shall circulate the same to the entire Board of Commissioners for review at its regular meetings.

Section 2. Management Committee. The Board of Commissioners shall by resolution establish a Management Committee consisting of not less than four (4) members. The Management Committee shall have authority to inquire into, and to make recommendations from time to time to the Board, as to any matter pertaining to the management of the Corporation, the preparation of the annual budget and any human resource policies of the Corporation. The Management Committee shall, in accordance with the requirements set forth in the Quasi-Public

Corporations Accountability and Transparency Act, Chapter 155 of Title 42 of the Rhode Island General Laws, (i) recommend to the full Board the compensation packages of the executive director and senior management of the Corporation, (ii) prepare clear written job descriptions and clear written expectations of job performance for the executive director and senior management, (iii) conduct the job performance review of the executive director at least annually, (iv) negotiate the employment contract of the executive director which shall be approved by the full Board during an open meeting, and (vi) exercise such other authority delegated to it by the Board of Commissioners unless the delegation of such authority shall be prohibited by law. The committee will meet with the Executive Director at least quarterly to provide feed-back on individual and corporate performance.

The person designated as Secretary of the Management Committee by its Chair shall prepare minutes of each committee meeting and shall circulate the same to the entire Board of Commissioners for review at its regular meetings.

Section 3. Other Standing Committees. The Board of Commissioners may from time to time by resolution designate and establish one or more other standing committees, each of which shall consist of at least four (4) commissioners. Each such committee, to the extent provided in the resolution creating the same, may exercise the authority delegated to it by the Board of Commissioners unless the delegation of such authority shall be prohibited by law. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Commissioners, or any member thereof, of any responsibility imposed by law.

Section 4. Additional Committees. The Board may by resolution from time to time create such additional committees consisting of commissioners, officers, employees or other persons designated by it to advise the Board on matters designated by the Board and to perform such other functions and duties as the Board shall by resolutions prescribe.

Section 5. Committee Appointments. Except as otherwise provided herein, the Chair of the Corporation shall designate and appoint the Chair and members of all committees. The Chair shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee member, either with or without cause, at any time.

Section 6. Quorum. A simple majority of the commissioners of any committee shall constitute a quorum and determine its action and fix the time and place of its meetings, unless the

Board shall otherwise provide. If a quorum is not present, the commissioners then present shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present.

ARTICLE VII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Execution of Contracts. The Board of Commissioners may authorize any officer or officers or employee or employees of the Corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation which may be entered into by the Corporation under Rhode Island law, and such authority may be general or confined to specific instances. Unless authorized to do so by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract, commitment or engagement, or to pledge its assets or credit or to render it liable pecuniarily for any purpose or to any amount. Notwithstanding the foregoing, the Executive Director (or designee) shall have the power to or authority to bind the Corporation by any contract, commitment or engagement for any purpose or to any amount subject to Article III of these bylaws, and in accordance with the procurement responsibilities set forth in the Purchasing Regulations of the Corporation, as may be amended from time to time.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by specific resolution of the Board of Commissioners.

Section 3. Checks, Drafts or other Similar Orders. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed or endorsed by any two of the following, signing jointly, the Chair of the Board, the Executive Director, the Manager of Treasury and Capital Planning, or the Chief Financial Officer, or in such other manner as shall from time to time be determined by the resolution of the Board of Commissioners.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Commissioners may select.

ARTICLE VIII

INDEMNIFICATION

The Corporation shall defend and indemnify persons who are or were commissioners, officers, employees or agents of the Corporation against reasonable expenses incurred (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement arising from any threatened, pending or completed action, suit or proceeding, in accordance with and as provided by the Enabling Statute, R.I.G.L. §42-55-5(5), and the provisions of the Rhode Island Business Corporation Act, R.I.G.L. §7-1.2-814. To the extent provided by the Enabling Statute, the Board of Commissioners may authorize the Corporation to purchase and maintain insurance on behalf of any person who is or was a commissioner, officer, employee or agent of the Corporation against any liability asserted against such person and incurred by such person in any such capacity or arising out of his or her status as such.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July of each year and end on the last day of June in the next ensuing year.

Section 2. Corporate Seal. The Corporation shall have a corporate seal which shall be circular in form and shall have inscribed thereon the words "Rhode Island Housing and Mortgage Finance Corporation, Incorporated 1973, Rhode Island".

Section 3. Interpretation. Whenever the context of these bylaws so dictates, (i) the singular shall include the plural and the plural shall include the singular and (ii) the masculine, feminine and neuter shall be deemed to have been used interchangeably.

ARTICLE X

AMENDMENTS

Section 1. Amendment to Bylaws. These bylaws may be altered, amended or repealed or new bylaws may be adopted by the affirmative vote of a majority of the entire Board of Commissioners.