

# MUNIPRO, INC.

## *Responsibilities of Members and Officers*

Adopted: January 16, 2008  
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MUNIPRO, Inc. (the Corporation) is a Not-For-Profit Corporation pursuant to Sections 402 of the Not-For-Profit Corporation Law of the State of New York. The Corporation must comply with the provisions of applicable laws. The following guidelines have been prepared in order to assist current and future members and officers of the Corporation to understand and carry out their fiduciary responsibilities. These materials are in addition to applicable laws and offer suggestions for fulfilling the Corporation's mission.

1. The day to day responsibilities of the Corporation for management and operations shall be vested in a separate manager. The Corporation shall employ or contract with the manager and exercise direct oversight of the manager in the effective and ethical management of its operations.
2. The members shall understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the Corporation.
3. The Chair of the Board and none of its members shall be a member of management and shall be charged with leading the Corporation's oversight role, including setting the Board meeting agenda, managing the flow of information to the Board, coordinating the work of Board committees and serving as the primary liaison between the Board and senior management.
4. All individuals appointed to the Board shall participate in state approved training regarding the legal fiduciary financial and ethical responsibilities as directors within one (1) year of appointment to the Board.
5. Board Members shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance.
6. All members of the Board are encouraged to read the Corporation's Bylaws.

7. Members must fulfill fiduciary duties to the Corporation and the clients it serves. These primary legal duties include the duties of care, loyalty and obedience.

**A. Duty of Care.** The duty of care requires a member to be familiar with MUNIPRO's finances and activities and participate regularly in its governance. In carrying out this duty members must act in good faith using the degree of diligence, care and skill which prudent people would use in similar positions and under similar circumstances.

**B. Duty of Loyalty.** In carrying out the duty of loyalty, members are subject to the Corporation's written conflicts of interest policy and are charged with the duty to act in the interest of the Corporation. This duty of loyalty requires that any conflict of interest, real or possible always be disclosed in advance of joining the Board and when they arise. Members should avoid transactions in which they or their family members benefit personally. If such transactions are unavoidable, disclose them fully and completely to the entire Board. In order to exercise this duty of loyalty members must be careful to examine transactions that involve members or officers. Members must not approve any transactions that are not fair and reasonable and a conflicted member may not participate in the vote. There is an established Code of Ethics that is updated annually.

**C. Duty of Obedience.** Members have a duty of obedience to ensure that the Corporation complies with applicable laws, regulations and its internal governance documents and policies.