

GREAT NORTHERN RAILWAY HISTORICAL SOCIETY
ARTICLES OF INCORPORATION
(As re-stated October 10, 1992)

- (1) The name of the organization shall be the Great Northern Railway Historical Society. The group was initially organized at Evanston, Illinois, on November 16, 1973 as The Fraternal Order of Empire Builders, and all rights to the original name are hereby retained.
- (2) The Registered Agent is Ernest A. Lehmann. The Registered Office is 125 S. Alfred, Elgin, County of Kane, Illinois 60120.
- (3) The Corporation is organized under the laws of the State of Illinois, pursuant to the provisions of "The General Not For Profit Corporation Act" of the State of Illinois.
- (4) The names and respective addresses of its officers and Directors are: *(As recorded in the original filing. For current Officers and Directors, refer to the masthead of the last published quarterly "GOAT")*

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| Charles R. Wood | President | 3815 51 st Ave., SW Seattle, Washington 98116 |
| Martin Evoy III | Secretary | 6161 Willow Lake Dr. Hudson, Ohio 44236 |
| Louis S. Bushfield | Treasurer | 5232 S.R. 38, East, Lafayette, Indiana 47905 |
| Norman C. Keyes, Jr. | Director | 815 Stoneleigh Rd. Baltimore, Maryland 21212 |
| William A. McGinley | Director | 923 Baker Ave., Mankato, Minnesota 56001 |
| Wolfgang F. Weber | Director | Feldbergstrasse 39, D-6380 Bad Homburg v.d.h. West Germany |

- (5) The purpose or purposes for which the Corporation is organized are:
 1. To function as a Great Northern Railway Historical Society and Scale Replica Railway Association.
 2. To assemble, investigate, and disseminate historical and modeling information of the GNR Y.
 3. To promote better understanding of the GN RY among model railroaders, model railroad manufacturers, and publishers.
- (6) The corporation is organized exclusively for charitable, religious, educational and scientific purposes, including for such purposes, the making of distributions to organizations that qualify as tax-exempt organizations under section 501 (c) (3) of the

Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

- (7) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the objectives set forth in Article Six hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidates for public office. Notwithstanding any other provision in these articles, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.
- (8) Upon dissolution of the Corporation, the officers shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such a manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501 (c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the officers shall determine. Any such assets not so disposed of shall be disposed of by the Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.
- (9) (a) The members shall have to right to vote upon any action taken by the Board of Directors upon submission of a membership petition to the Secretary requesting such vote and specifying the matter(s) to be voted upon. To be valid hereunder, the petition must be signed by at least ten percent of the members of good standing of the Society. In the event a petition meeting the above qualifications is received, the Board of Directors shall place the issue(s) presented by petition on a ballot and shall provide for a vote by the membership to be completed within 120 days of the submission of a valid petition.
(b) The members shall have the right to have any proposition placed upon a ballot and voted on by direct mail vote of the membership within 120 days of submission of a valid petition to the Secretary. In order for the petition to be valid, the petition must be signed by at least ten percent of the members in good standing of the Society and must specify the matter(s) to be voted upon.
(c) With respect to Subsections (a) and (b) above, adoption of the actions or propositions proposed by petition shall require a two-thirds majority of all votes received by the Secretary.

BYLAWS of the GREAT NORTHERN RAILWAY HISTORICAL SOCIETY
(As amended April 14, 2023)

ARTICLE I. OFFICES

- 1.01 **PRINCIPAL and BUSINESS OFFICES.** The Great Northern Railway Historical Society (“Corporation”) may have such principal and other business offices, either within or without the State of Illinois, as the Board of Directors (“BOARD”) may designate or as the business of the Corporation may require from time to time.
- 1.02 **REGISTERED OFFICE.** The registered office of the Corporation may be, but need not be, identical with the principal office of the Corporation, and the address of the registered office may be changed from time to time by the BOARD or by the registered agent. The address of the registered agent of the Corporation shall be identical to such registered office.

ARTICLE II. MEMBERS

- 2.01 **CLASSES and qualifications.** The Corporation shall have regular, sustaining and honorary members, each of whom will have voting authority as provided in Section 2.11. In addition, the BOARD may, from time to time, establish other classes of membership with voting rights, if any, as the BOARD shall determine.
- 2.02 **ANNUAL MEETING.** The annual meeting of the Corporation shall be held at the date and hour in each year as may be fixed by or under the authority of the BOARD, for the purpose of the transaction of such business as may come before the meeting. If the election of Directors is not held by mail pursuant to these Bylaws, the BOARD shall cause the election to be held at the annual meeting or at a special meeting of members called for that purpose.
- 2.03 **SPECIAL MEETING.** Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute may be called by the President or the BOARD or by the person designated in the written request of not less than ten percent of the number of members of the Corporation entitled to vote at the meeting.
- 2.04 **PLACE of MEETING.** The BOARD may designate any place, either within or without the State of Illinois, as the place of meeting for any annual meeting or for any special meeting called by the BOARD. In addition, waiver of notice signed by members as required under Section 2.12 may designate any place, either within or without the State of Illinois, as the place for holding of such meeting.
- 2.05 **NOTICE of MEETING.** Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 20 days nor more than 60 days before the date of the meeting, either personally, by mail or the quarterly publication, GOAT, by or at the direction of the President, the Secretary, or other officer or person calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at this address as it appears on the membership record books of the Corporation with postage thereon prepaid.
- 2.06 **FIXING of RECORD DATE.** For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or in order to make a determination of members for any other proper purpose, the BOARD may fix in advance a date as the record date for the determination of members, such date to be not more than 60 days prior to the date on which the particular action, requiring such

- determination of members, is to be taken. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the close of business on the date on which notice of the meeting is mailed, shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall be applied to any adjournment thereof.
- 2.07 **VOTING RECORD.** The officer or agent having charge of the membership record books shall, before each meeting of members, prepare a list of the members of record as determined in Section 2.06 entitled to vote at such meeting or any adjournment thereof, with the address of each. Such record shall be available for inspection by any member during a meeting for the purposes of the meeting, and shall be prima facie evidence as to the members entitled to examine membership records or to vote at any meeting of members. Failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.
- 2.08 **QUORUM.** Except as otherwise provided in the Articles of Incorporation, one tenth of the number of members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members. If a quorum is present, the affirmative vote of the majority of the members represented at the meeting and entitled to vote on the subject matter shall be the act of the members unless the vote of a greater number or voting by classes is required by law, the Articles of Incorporation, or these Bylaws. Though less than a quorum of members are represented at a meeting, a majority so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.
- 2.09 **CONDUCT of MEETINGS.** The President, or in his absence, the Vice President, or in his absence, a member of the BOARD, as selected by the BOARD or the highest ranking officer present as established by Article 4 and, in their absence, any person chosen by the members present shall call the meeting of the members to order and shall act as chairman of the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the members but, in the absence of the Secretary, the presiding officer may appoint any other person to act as Secretary of the meeting.
- 2.10 **PROXIES.** At all meetings of members, a member entitled to vote may vote in person or by proxy appointed in writing by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation on or before the call to order of the meeting. Unless otherwise provided in the proxy, a proxy may be revoked at any time before it is voted, either by written notice filed with the Secretary or the acting Secretary of the meeting or by oral notice given by the member to the presiding officer during the meeting. The presence of a member who has filed his proxy shall not of itself constitute a revocation. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. The BOARD shall have the power and authority to make rules establishing presumptions as to the validity and sufficiency of proxies.
- 2.11 **VOTING.** Each member shall be entitled to one vote upon each matter submitted to a vote of members, except to the extent that the voting rights of members are enlarged, limited or denied by the Articles of Incorporation. Honorary Members have no voting rights.
- 2.12 **WAIVER of NOTICE by MEMBERS.** Whenever any notice is required to be given to any member under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the member entitled to such notice shall be deemed equivalent to the giving of such

- notice. Attendance at any meeting shall constitute waiver of notice thereof unless the member objects to the holding of the meeting because proper notice was not given.
- 2.13 **INFORMAL ACTION of MEMBERS WITHOUT MEETING.** Any action to be taken at any annual or special meeting of the members entitled to vote, or any other action which may be taken at a meeting of the members entitled to vote, may be taken without a meeting and without a vote, if a consent in writing, setting forth the action so taken, shall be signed either: **(1)** by all of the members entitled to vote with respect to the subject matter thereof, or **(2)** by members having not less than a minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting.
- If the consent is signed by less than all of the members entitled to vote, then such consent shall become effective only: **(1) if** at least 5 days prior to the effective date of such consent, a notice in writing of the proposed action is delivered to all of the members entitled to vote with respect to the subject matter thereof, and **(2) if**, after the effective date of such consent, prompt notice in writing of the taking of corporate action without a meeting is delivered to those members entitled to vote who have not consented in writing. In the event the action consented to would require the filing of a certificate under law if such action had been voted on by the members at a meeting thereof, the certificate filed shall state, in lieu of any statement required concerning any vote of members, that written consent has been given in accordance with the provisions of this Section and that written notice has been delivered as provided in this Section.
- 2.14 **VOTE by MAIL BALLOT.** In lieu of a membership meeting, the **BOARD** may present any matter to the membership for determination by direct mail vote. In any such case, ballots shall be received not less than 20 days nor more than 60 days prior to the date on which ballots are required to be returned. The **BOARD** is authorized to establish procedures and rules for the conduct of business and election of directors pursuant to this provision.

ARTICLE III. BOARD OF DIRECTORS

- 3.01 **GENERAL POWERS and NUMBER.** The business and affairs of the Corporation shall be managed by its Board of Directors (“**BOARD**”). The number of Directors shall be a minimum of 5 and a maximum of 7. The **BOARD** may from time to time change the number of Directors within the range Specified herein without further amendment to these Bylaws.
- A. The Board of Directors of this organization shall be responsible for maintaining and protecting its property and the management of its business and fiscal affairs. It shall have the powers and be subject to the obligations that pertain to such boards under the law, except as otherwise provided herein.
 - B. The Board shall ascertain that the financial affairs of this organization are being conducted efficiently, giving particular attention to the prompt payment of all obligations.
 - C. The Board shall not have-the authority to buy, sell, or encumber real property unless specifically authorized to do so by a meeting of the membership.
 - D. The Board shall prepare an annual budget for adoption by this organization, and shall supervise the expenditure of funds in accordance therewith following its adoption. The budget shall include this organization’s full anticipated income and expenditures.
 - E. In a declared emergency, a majority of the **BOARD** may enter into a contract for un-budgeted expenses exceeding \$15,000.00, subject to ratification by a majority of members present and voting at the next membership meeting.

- 3.02 **TENURE and QUALIFICATIONS.** Commencing with Directors elected to serve for calendar years 1993 and forward, the term of office of a Director shall expire approximately six years after election. BOARD vacancies shall be filled by election at an annual meeting or by election by mail held pursuant to Section 2.14. Each Director shall serve until his successor shall have been elected, or until his prior death, resignation or removal. A director may be removed from office by affirmative vote of a majority of the BOARD or of the members entitled to vote for the election of such Director, taken at a meeting of the BOARD or of members, as the case may be, called for that purpose. A director may resign at any time by filing his written resignation with the Secretary of the Corporation. Directors must be in good standing of the Corporation. The BOARD will be divided into three classes of tenure, as close as possible to numerically equal numbers of BOARD Members, with elections held for each tenure class once every six years and normally at two year intervals. Directors for regular six year terms will be elected by members entitled to vote in accordance with Section 2.11.
- 3.03 **REGULAR MEETINGS.** A regular meeting of the BOARD may be held without other notice than this Bylaw immediately before, during or after the annual meeting of members, and each adjourned session thereof, and at the same place. The BOARD may provide by resolution the time and place for the holding of additional regular meetings without other notice than such resolution. Directors, by law may not vote by proxy.
- 3.04 **SPECIAL MEETINGS.** Special meetings of the BOARD may be called by or at the request of the President, Secretary or any two Directors. The President or Secretary calling any special meeting of the BOARD, should with the concurrence of the BOARD, fix the time and place, either within or without the State of Illinois, as the place for holding any special meeting of the BOARD called by them.
- 3.05 **NOTICE: WAIVER.** Notice of each meeting of the BOARD (unless otherwise provided pursuant to Section 3.03) shall be given by (a) written notice delivered personally, mailed via the U.S. Postal Service (b) e-mail to each Director at this business address or at such address as each Director shall have designated in writing filed with the Secretary or (c) telephone to each Director at the telephone number designated in writing filed with the Secretary, in each case not less than 7 days prior thereto. If mailed, such notice shall be deemed to be delivered when deposited with the U.S. Postal Service so addressed, with postage thereon prepaid. If notice be given by e-mail, such notice shall be deemed to be delivered when the Director makes a positive reply. If given by telephone, notice must be given directly to the Director and not by leaving a notice on voice mail or an answering machine.
- Whenever any notice whatever is required to be given to any Director of the Corporation under the Articles of Incorporation or the Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Director entitled to such notice shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in the notice or waiver of notice of such meeting.
- 3.06 **QUORUM.** A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the BOARD, but a majority of the Directors present may adjourn the meeting from time to time without further notice. Directors and non-director committee members may participate in and act at any meeting of the BOARD or a committee through the use of a conference telephone call or other

communication equipment by which all persons may communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting.

- 3.07 **MANNER of ACTING.** The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number is required by law, the Articles of Incorporation or these Bylaws.
- 3.08 **CONDUCT of MEETINGS.** The President, or in his absence, the Vice President, or in his absence, any Director chosen by the Directors present shall call meeting of the BOARD to order and shall act as chairman of the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the BOARD but, in the absence of the Secretary, the presiding officer may appoint an Assistant Secretary or any Director or other person present at the meeting to act as Secretary of the meeting.
- 3.09 **VACANCIES.** Any vacancy occurring in the BOARD for any reason prior to the expiration of a Director's term, or due to an increase in the number of Directors, may be filled by vote of the majority of Directors then in office. The Director so elected shall complete the unexpired term of the former Director, if applicable. In the case of a vacancy created by a vote of the members, the members shall have the right to fill such vacancy at the same meeting or any adjournment thereof.
- 3.10 **STIPENDS.** The BOARD, by affirmative vote of a majority of the Directors then in office, and irrespective of any personal interest of any of its members, may establish reasonable stipends for services to the Corporation as Directors, officers or otherwise, or may delegate such authority to an appropriate committee. The BOARD is also authorized to reimburse Directors, officers and others for reasonable expenses incurred while conducting corporate business associated with their position, including the expense of attending meetings outside of regularly scheduled BOARD and committee meetings. In exceptional circumstances and with previous approval of the BOARD, the President will be reimbursed for reasonable expenses incurred while conducting corporate business associated with his attendance at the Convention and Annual Meeting of the membership.
- 3.11 **PRESUMPTION of ASSENT.** A Director of the Corporation who is present at a meeting of the BOARD or a committee thereof of which he is a member, at which action on any Corporate matter is taken, shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.
- 3.12 **COMMITTEES.** The BOARD, by resolution adopted by affirmative vote of a majority of the Directors, may designate one or more committees which to the extent provided in said resolution as initially adopted, and as thereafter supplemented or amended by further resolution, shall have and may exercise, when the BOARD is not in session, the powers of the BOARD in the management of the business and affairs of the Corporation. Each committee shall have one or more Directors or Officers, and all committee members shall serve at the pleasure of the BOARD. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports to the BOARD of its activities as the BOARD may request. This provision shall not prohibit the President from establishing ad hoc and technical committees of members beneficial to the purposes of the Corporation.
- 3.13 **CONSENT without MEETING.** Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the BOARD at a meeting or by resolution may be taken without a meeting if a consent is given via e-mail or fax,

setting forth the action to be taken and if approved by a majority of the Directors then in office.

- 3.14 **NOMINATIONS of DIRECTORS.** The BOARD shall establish a nominating committee to nominate members for election to the BOARD. The nominating committee shall provide notice to members in the Corporation's regular publication that it will accept for consideration nominations and shall set forth any deadline for submission of nominations. All ballots for election of Directors shall permit members to write-in a candidate for election to the position.
- 3.15 **BALLOTS.** Ballots used for the election of Directors by mail pursuant to Section 2.14 and 3.14 shall: (a) list all qualified candidates nominated; (b) include a deadline for return of the ballots; (c) be returned to the Chairman of the Election Committee as shall be appointed by the BOARD.
- 3.16 **COMMENCEMENT of TERM.** Directors elected at an annual meeting or by mail pursuant to these Bylaws shall commence their terms on January 1 following their election, except as otherwise provided under Section 3.02 of these Bylaws.

ARTICLE IV. OFFICERS

- 4.01 **NUMBER.** The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and Treasurer, each of whom shall be elected by the BOARD. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the BOARD. Any two or more offices may be held by the same person, except the offices of President and Secretary and the offices of President and Vice President.
- 4.02 **ELECTION and TERM of OFFICE.** The officers of the Corporation to be elected by the Board shall be elected for two year terms by the BOARD as soon as convenient after January 1 of each even numbered year but no later than the first meeting of the BOARD held after January 1 of those years. Such election may take place without a meeting by the use of a conference call or e-mail by which all the Directors may communicate with each other. Each officer shall hold office until a successor shall have been duly elected or until prior death, resignation or removal.
- 4.03 **REMOVAL.** Any officer or agent may be removed by the BOARD whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.
- 4.04 **VACANCIES.** A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by a majority vote of the BOARD for the unexpired portion of the term.
- 4.05 **PRESIDENT.** The President shall be the principal executive officer of the Corporation and, subject to the control of the BOARD, shall in general supervise and control all of the business and affairs of the Corporation. He shall, when present, preside at all meetings of the members and the BOARD. He shall have the authority, subject to such rules as may be prescribed by the BOARD, to appoint such agents and employees of the Corporation as he shall deem necessary, to prescribe their powers and duties and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. He shall have the authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the BOARD: and, except as otherwise provided by law or the BOARD he may authorize the Vice

- President or other officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in his place. He shall have the authority to establish ad hoc committees and technical committees deemed beneficial to the Corporation's affairs. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the BOARD from time to time.
- 4.06 VICE PRESIDENT. In the absence of the President or in event of his death, inability or refusal to act, or in the event for any reason it shall be impracticable for the President to act personally, the Vice President shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all of the restrictions imposed upon the President. The Vice President shall perform such other duties and have such authority as from time to time may be delegated and assigned to him by the President or by the BOARD.
- 4.07 SECRETARY. The Secretary shall: (a) keep the minutes of the meetings of the members and of the BOARD and record all BOARD actions and votes in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) collect and disseminate agenda items to the BOARD and all officers prior to scheduled BOARD meetings, (d) in general perform all duties incident to the office of Secretary and have such duties and exercise such authority as from time may be delegated or assigned him by the President or the BOARD; and (e) Effective with its meeting of May 2023, The Board hereby establishes a policy of reviewing and approving its minutes, including any email motions, at the next following Board meeting. The Board hereby establishes a quarterly schedule for Board minutes to be posted on our website, not later than the end of the month after the close of the quarter. Quarters will be the standard January thru March, April thru June, July thru September, and October thru December. Posting deadlines will be the last day of April, July, October, and January.
- 4.08 TREASURER. The Treasurer shall: (a) have charge and custody of and be responsible for all funds of the Corporation except those specifically delegated to others by BOARD action with the concurrence of the Treasurer then in office; (b) receive and maintain records of monies due and payable to the Corporation from all sources and deposit all such monies in the name of the Corporation in banks or other depositories as shall be selected in accordance with the provisions of Section 5.04; (c) maintain records of the financial transactions of the Corporation in the manner directed by the BOARD; (d) ensure obligations of the Corporation are timely paid from accounts maintained in the name of the Corporation; such instruments shall be signed by the Treasurer, subject to invoice or receipt from pre-authorized transactions as set forth by the budget or Board resolution; and in all cases, expenditures shall be made only within the current approved budget, unless specifically authorized by action of the BOARD, for amounts not to exceed limits established by the BOARD in conformance with these by-laws; and e) in general, perform all the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned him by the President or by the BOARD..
- 4.09 ASSISTANTS and ACTING OFFICERS. The BOARD shall have the power to appoint any person to act as assistant to any officer, or as agent for the Corporation in his stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally and such assistant or acting officer or other agent so appointed by the BOARD shall have the power to perform all the duties of the office to which he is so appointed to be assistant, or as to which he is so appointed to act, except as such power may be otherwise defined or restricted by the BOARD.

ARTICLE V. CONTRACTS, LOANS, CHECKS and DEPOSITS.

- 5.01 **CONTRACTS.** The BOARD may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation, and such authorization may be general or confined to specific instances.
- 5.02 **LOANS.** No indebtedness for borrowed money shall be contracted on behalf of the Corporation and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the BOARD. Such authorization may be general or confined to specific instances.
- 5.03 **CHECKS, DRAFTS etc.** All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by or under the authority of a resolution by the BOARD.
- 5.04 **DEPOSITS.** All funds of the Corporation not otherwise employed shall be deposited promptly upon receipt, to the credit of the Corporation in such banks or other depositories as recommended by the Treasurer and approved by the BOARD.

ARTICLE VI. AMENDMENTS

- 6.01 **BY MEMBERS.** These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the members on affirmative vote of not less than a majority of the members present or represented at any annual or special meeting of the members at which a quorum is in attendance or through an election held by mail ballot pursuant to Section 2.14.
- 6.02 **BY DIRECTORS.** These Bylaws may also be altered, amended or repealed and new Bylaws may be adopted by the BOARD by affirmative vote of a majority of the BOARD present at any meeting at which a quorum is in attendance or a majority vote by e-mail; but no Bylaw adopted by the members shall be amended or repealed by the BOARD if the Bylaw so adopted so provides.
- 6.03 **IMPLIED AMENDMENTS.** Any action taken or authorized by members or by the BOARD which would be inconsistent with the Bylaws then in effect but is taken or authorized by the affirmative vote of not less than the number of members or the number of Directors required to amend the Bylaws would be consistent with such action, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

ARTICLE VII. MISCELLANEOUS

- 7.01 **FISCAL YEAR.** The Corporation's fiscal year shall end December 31st.
- 7.02 **BONDING.** The BOARD may determine from time to time persons and amount of Bond(s) to be required to cover faithful discharge of duties.
- 7.03 **MASCULINE/FEMININE.** All references to the masculine herein shall be deemed to include the feminine.
- 7.04 **GIFTS.** Gifts of money and other assets may be accepted by the Corporation in furtherance of the charitable and educational purposes of the Corporation.
- A. Unrestricted Gifts will be deposited in a separate account as recommended by the TREASURER and approved by the BOARD. Funds from Designated Gifts will be deposited in a separate account as recommended by the Treasurer and approved by

the BOARD. These funds will be kept in separate accounts where the money will be readily available to carry out the wishes of the donor.

- B. Any gift, whether of money or in-kind gifts of assets or property, where acceptance of the offered gift will result in an ongoing financial obligation of the organization to maintain the gift, must be accepted by the BOARD by a two-thirds vote. In the absence of a two-thirds vote, the BOARD's acceptance of an offered gift must be confirmed by a vote at the next membership Meeting.

- 7.05 OPERATING MANUAL. To provide guidance for the day-to-day operations of the Corporation, the BOARD may choose to periodically approve and issue an Operating Manual, listing current Officers and Committees along with operating policies established by the BOARD, the President and other Officers, and Committees. All such policies in the manual shall remain in effect until amended. All such policies must derive from the authority of the Corporation's Articles of Incorporation and By-Laws; in the event of conflict, the Articles and By-Laws will take precedence.

ARTICLE VIII. INDEMNIFICATION OF DIRECTORS, OFFICERS and EMPLOYEES.

- 8.01 The Corporation shall indemnify any person who is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative or against whom liability of any character, whether statutory or at common law, is asserted, threatened, to be asserted or imposed by reason of his status as a Director, Officer, employee or agent of the Corporation, or his service at the request of the Corporation, as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by Section 108.75 of the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time. The Corporation shall also reimburse any such person for all expenses, costs and other payments actually and reasonably incurred by him in connection with any action, suit, proceeding or liability described above to the fullest extent permitted by the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time. Indemnification hereunder shall include, without limitation, indemnification of the Directors, Officers, employees, or agents of the Corporation with respect to all potential liability arising under the Internal Revenue Code as said Code is from time to time hereafter amended.

Indemnification under this Section shall not be deemed exclusive of any other Right provided for or available to such person under any agreement, vote or otherwise, or under insurance purchased and maintained by the Corporation on behalf of such person against liability to an extent greater than the power of the Corporation to indemnify such person under the provisions of the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time.

ARTICLE IX. CONFLICTS OF INTEREST POLICY

- 9.01 PURPOSE. The purpose of this policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.
- 9.02 INTERESTED PERSON. Any director, officer, or member of a committee with BOARD-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

- 9.03 **FINANCIAL INTEREST.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
- A. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
 - B. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - C. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 5 below, a person who has a financial interest may have a conflict of interest only if the BOARD or appropriate committee decides that a conflict of interest exists.
- 9.04 **DUTY TO DISCLOSE.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with BOARD-delegated powers considering the proposed transaction or arrangement.
- 9.05 **DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the BOARD or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- 9.06 **PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST.**
- A. An interested person may make a presentation at the BOARD or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - B. The President or the chair of a committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - C. After exercising due diligence, the BOARD or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - D. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the BOARD or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation' best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- 9.07 **VIOLATIONS OF THE CONFLICT OF INTEREST POLICY.**
- A. If the BOARD or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - B. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the BOARD or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

- 9.08 **RECORDS OF PROCEEDINGS.** The minutes of the BOARD and all committees with board delegated powers shall contain:
- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Director's or committee's decision as to whether a conflict of interest in fact existed.
 - B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.
- 9.09 **COMPENSATION.**
- A. A voting member of the BOARD who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
 - B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
 - C. No voting member of the BOARD or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
- 9.10 **ANNUAL STATEMENTS.** Each director, officer and member of a committee with BOARD-delegated powers shall annually sign a statement (or confirm their agreement by email) which affirms such person:
- A. Has received a copy of the conflicts of interest policy,
 - B. Has read and understands the policy,
 - C. Has agreed to comply with the policy, and
 - D. Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- 9.11 **PERIODIC REVIEWS.** To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
 - B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- 9.12 **USE OF OUTSIDE EXPERTS.** When conducting the periodic reviews as provided for in Section 9.11 above, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Corporation of its responsibility for ensuring periodic reviews are conducted.