

AMENDED AND RESTATED BYLAWS OF BANNOCKBURN SCHOOL PARENT ORGANIZATION

ARTICLE I Name and Purpose

SECTION 1.1 Name. The name of the corporation shall be BANNOCKBURN SCHOOL PARENT ORGANIZATION, an Illinois not-for-profit corporation (the "Corporation").

SECTION 1.2 Purpose. The purpose of the Corporation shall be as provided in the Articles of Incorporation and, in accordance therewith, shall include the charitable and educational purposes of supporting the education of children at Bannockburn School (the "School") by fostering relationships between the school, parents and teachers.

ARTICLE II Membership

SECTION 2.1 Classes and Qualifications. The Corporation shall have a single class of members. The designation of such class and the qualifications of members of such class shall be as follows: Parents and Guardians: Any parent, legal guardian, or other person standing in "loco parentis" to a child enrolled and attending the School may be a member of the Corporation.

SECTION 2.2 Dues. Membership dues, if any, shall be established by the Board of Directors.

SECTION 2.3 Voting Rights. Each member in good standing who has paid the dues required for membership, if any, shall be entitled to one vote on each matter submitted to a vote of the members. Matters required to be submitted to a vote of the members include, but are not limited to:

- A. the election of officers;
- B. the approval of the annual budget;
- C. the approval of gifts to the School; and
- D. the approval of fundraising events and activities.

The affirmative vote by a majority of members present at a meeting at which a quorum is present shall be required to approve any matter submitted to a vote of the members.

SECTION 2.4 Regular Meetings. Regular meetings of the members shall be held on the second Tuesday of each month at the Village Hall Board Room, or at such other place and time as may be determined by the Board of Directors.

SECTION 2.5 Annual and Special Meetings. An annual meeting of the members shall be held during the month of May, at such time and place as may be fixed by the Board of Directors. Special meetings of the members may be called by the President, a majority of the Board of Directors, or by not less one-twentieth or 10, whichever is less, of all members having the right to vote.

SECTION 2.6 Notice of Meetings. Written notice stating the place, day and hour of the meeting and, in the case of special meetings, the purpose of purposes for which the meeting is called, shall be delivered not less than five (5) nor more than sixty (60) days before the date of such meeting, either personally or by mail, facsimile, electronic mail or by posting such notice on the official website maintained by the Corporation (<http://www.bannockburnschool.org/bspa.html>), by or at the direction of the President or the Recording Secretary or the officers or persons calling the meeting. If mailed, such notice shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

SECTION 2.7 Quorum. Those persons present at a properly called meeting shall constitute a quorum and shall be entitled to take action on behalf of the Corporation.

SECTION 2.8 Transfer of Membership. Membership in the Corporation is not transferable or assignable.

ARTICLE III

Board of Directors

SECTION 3.1 General Powers and Duties. The property, business and affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors is the policy-making body of the Corporation and may exercise all the powers and authority granted to the Corporation by law, the Articles of Incorporation or these Bylaws.

SECTION 3.2 Number, Election and Term of Office. The Board of Directors shall consist of the elected officers of the Corporation; provided that there shall be not more than five (5) nor less than three (3) Directors. Directors shall serve one (1) year terms and until their successors shall have been elected and qualified or until their death, resignation, or removal. Directors may be re-elected for any number of subsequent terms.

SECTION 3.3 Resignations. Any Director may resign at any time by giving written notice to the Recording Secretary or, if the resigning Director is also the Recording Secretary, the Corresponding Secretary, of the Corporation. Such resignation shall take effect when the notice is delivered unless the notice specifies a future date. Unless the notice specifies otherwise, the acceptance of such resignation shall not be necessary to make it effective. Any resignation by any Director from the Board shall also simultaneously effect such Director's resignation as an officer of the Corporation.

SECTION 3.4 Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the officer elected by the members to succeed to the office previously held by the vacating Director. Such election shall be conducted at the annual meeting, any regular meeting, or at a special meeting of the members called for that purpose. Each Director elected to fill a vacancy shall hold office for the unexpired term of his or her predecessor in office.

SECTION 3.5 Annual Meetings. The annual meeting of the Board of Directors shall be held without notice other than this bylaw in May of each year at the office of the Corporation, or at such other place determined by the Board of Directors.

SECTION 3.6 Regular Meetings. The Board of Directors shall hold regular meetings at such place and at such times as may be designated by resolution of the Board of Directors, without notice other than such resolution.

SECTION 3.7 Special Meetings. Special meetings of the Board of Directors may be held at any time on the call of the President or at the request in writing of a majority of the Directors then serving. Special meetings of the Board of Directors may be held at such place, either within or without the State of Illinois, as shall be specified or fixed in the call for such meeting or notice thereof.

SECTION 3.8 Notice of Meetings. Notice of each special meeting shall be delivered by or at the direction of the Recording Secretary to each Director by mail, electronic mail, telephone or facsimile at least two (2) days before the day on which the meeting is to be held. Notice may be waived in writing by a Director, either before or after the meeting. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where the Director attends the meeting for the express purpose of objecting 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 special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 3.9 Quorum. A majority of the then current Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws. If less than a majority of directors is present at any meeting, such meeting may be adjourned by a majority of those directors present without further notice.

SECTION 3.10 Participation at Meetings by Conference Telephone. Directors may participate in and act at any meeting of the Board of Directors through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

SECTION 3.11 Informal Action. Any action required to or which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Directors.

SECTION 3.12 Removal. A director may be removed by the affirmative vote of two-thirds of the members present and voted. No director shall be removed at a meeting of members entitled to vote unless the written notice of such meeting is delivered to all members entitled to vote on removal of directors. Such notice shall state that a purpose of the meeting is to vote upon the removal of one or more directors named in the notice. Only the named director or directors may be removed at such meeting.

SECTION 3.13 Compensation. Directors shall serve without compensation; provided that reasonable expenses incurred in the furtherance of the Corporation's purpose reimbursable with proper documentation and prior approval by the Board of Directors; provided further that Directors may receive compensation for services rendered to the Corporation in any capacity other than as a Director or Officer.

ARTICLE IV Officers

SECTION 4.1 Designation, Election and Term of Office. The officers of the Corporation shall consist of a President, a Vice President, a Recording Secretary, a Corresponding Secretary, and a Treasurer. The officers shall be elected by the members of the Corporation from among the members in good standing at the annual meeting held in May of each year. Each officer shall hold office for one year and until their successors have been duly elected and qualified, or until their death, resignation or removal. The offices of President and Vice President may be shared by two (2) Co-Presidents, in which case the usual duties of each office shall be shared. Any two (2) or more offices may be held by the same person, except that the same person shall not hold the office of President or Co-President, as the case may be, and Recording Secretary or Treasurer. No fewer than three (3) members shall be elected to hold all of the offices of the Corporation.

SECTION 4.2 The President. The President shall be Chief Executive Officer of the Corporation and shall preside at all meetings of the Board of Directors and of the members. The President shall have general and active management of the business of the Corporation; shall see that all orders and resolutions of the Board of Directors are carried into effect; shall execute the bonds, mortgages and other contracts requiring a seal under the seal of the Corporation; shall have general superintendence of all other officers of the Corporation; shall see that their duties are properly performed; shall from time to time report to the Board of Directors all matters within his or her knowledge which the interests of the Corporation may require to be brought to their notice; and shall also perform such other duties as may be assigned from time to time by the Board of Directors.

SECTION 4.3 The Vice President. The Vice President shall preside at meetings of the Board of Directors and the Corporation and its members in the absence of or at the request of the President. The Vice President shall perform such other duties as requested and assigned by the President, subject to the directives of the Board of Directors. The Vice President shall be responsible for the organization and oversight of the election process of the officers.

SECTION 4.4 The Recording Secretary. The Recording Secretary shall attend and act as secretary for all meetings of the Board of Directors and of the members; shall record all votes taken at any such meeting; shall take and transcribe minutes of the proceedings of any such meetings; shall give, or cause to be given, notice of all meetings of the Board of Directors and the members, unless notice thereof be waived; shall supervise the custody of all records and reports; and shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors. The Recording Secretary shall keep the minutes of all meetings of the Board of Directors and of the members in the books proper for that purpose.

SECTION 4.5 The Corresponding Secretary. The Corresponding Secretary shall perform all duties of the Recording Secretary in his or her absence or inability to act. At all other times the Corresponding Secretary shall be in charge of sending cards to families and staff of the School in the event of condolence, thank you, congratulations or the like. The Corresponding Secretary shall also perform such other duties as may be deemed necessary by the Board of Directors or the President, relative to the duties of the secretary.

SECTION 4.5 The Treasurer. The Treasurer shall report to the Corporation at each regular meeting on the status of the Corporation's finances; shall keep full and correct account of receipts and disbursements in the books belonging to the Corporation, subject to review and audit as determined by the Board of Directors; shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation, in such banks of deposit as may be designated by the Board of Directors; shall dispose of funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements; and shall render to the President and the Board of Directors, whenever so required, an account of all transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as may be assigned from time to time by the Board of Directors.

SECTION 4.6 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation by any officer shall also simultaneously effect such officer's resignation as a Director of the Corporation.

SECTION 4.7 Removal. Any of the officers of the Corporation may be removed by the members, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create any contract rights.

SECTION 4.8 Vacancies. Any vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled by the members at an annual or regular meeting or at a special meeting called for such purpose.

SECTION 4.9 Compensation. Officers shall serve without compensation; provided that reasonable expenses incurred in the furtherance of the Corporation's purpose reimbursable with proper documentation and prior approval by the Board of Directors; provided further that Officers may receive compensation for services rendered to the Corporation in any capacity other than as a Director or Officer.

ARTICLE V Committees

SECTION 5.1 Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may create one or more committees and appoint Directors or other such persons as the Board of Directors designates to serve on the committee or committees. Each committee shall have two or more Directors, a majority of its membership shall be Directors and all committee members shall serve at the pleasure of the Board of Directors. To the extent specified by the Board of Directors, each committee may exercise the authority of the Board of Directors in the management of the Corporation; provided, however, that a committee may not:

- A. Adopt a plan for the distribution of the assets of the Corporation or for dissolution;
- B. Fill vacancies on the Board of Directors or on any committees designated by the Board of Directors;
- C. Elect, appoint or remove any officer or Director or member of any committee, or fix the compensation of any member of a committee;
- D. Adopt, amend or repeal the Bylaws or the Articles of Incorporation of the Corporation;
- E. Adopt a plan of merger or adopt a plan of consolidation with another corporation;
- F. Authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Corporation; or
- G. Amend, alter, repeal or take any action inconsistent with any resolution or action of the Board of Directors when the resolution or action of the Board of Directors provides by its terms that it shall not be amended, altered or repealed by action of a committee.

SECTION 5.2 Quorum. Unless the appointment by the Board of Directors requires a greater number, a majority of any committee shall constitute a quorum for committee action at any meeting of the committee, and the act of a majority of committee members present and voting at a meeting at which a quorum is present shall be the act of the committee.

SECTION 5.3 Participation at Meetings by Conference Telephone. Committee members may participate in and act at any committee meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

SECTION 5.4 Meetings of Committees. Subject to action by the Board of Directors, each committee by majority vote of its members shall determine the time and place of meetings and the notice required therefore.

SECTION 5.5 Informal Action. Any action required to or which may be taken at a meeting of a committee may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all of the committee members.

SECTION 5.6 Other Bodies. The Board of Directors may create and appoint persons to a commission, advisory body or other such body which may or may not have Directors as members. Any such commission, advisory body or other body may not act on behalf of the Corporation or bind the Corporation to any action but may make recommendations to the Board of Directors or to the officers of the Corporation.

ARTICLE VI Indemnification of Directors, Officers, Employees and Agents; Insurance.

SECTION 6.1 Actions Other Than Actions by or in the Right of the Corporation. Subject to the limitations set forth in Section 6.8 and, to the extent applicable, Section 10.3 of these Bylaws, the Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which he reasonably

believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

SECTION 6.2 Actions Brought in the Right of the Corporation. Subject to the limitations set forth in Section 6.8 and, to the extent applicable, Section 10.3 of these Bylaws, the Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

SECTION 6.3 Expenses. Subject to the limitations set forth in Section 6.8 and, to the extent applicable, Section 10.3 of these Bylaws, to the extent that a Director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 6.1 or 6.2 of these Bylaws or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

SECTION 6.4 Authorization of Indemnification. Any indemnification under Sections 6.1 or 6.2 of these Bylaws (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 6.1 or 6.2 of these Bylaws. Such determination shall be made: (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

SECTION 6.5 Payment of Expenses in Advance. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified as authorized in this Article VI.

SECTION 6.6 Right Not Exclusive. The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 6.7 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VI.

SECTION 6.8 Limitation. Notwithstanding any other provision in these Bylaws, the Corporation shall not pay the expenses of, reimburse, or indemnify any person, and shall not pay premiums on insurance to provide for the reimbursement or indemnification of any person, if such action with respect to such person would constitute an act of self-dealing under Section 4941(d) of the Internal Revenue Code of 1986, or under a corresponding provision of any subsequent Federal tax law. This section applies to, without limitation, the payment, reimbursement or indemnification of expenses with respect to the defense of an officer, director, or employee of the Corporation in a criminal proceeding in cases in which such actions would constitute an act of self-dealing.

SECTION 6.9 Definition of Corporation. For purposes of this Article VI, references to the "Corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its directors, officers, employees or agents, so that any person who was a director, officer, employee or agent of such merging corporation, or was serving at the request of such merging corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section with respect to the surviving corporation as such person would have with respect to such merging corporation if its separate existence had continued.

ARTICLE VII

Miscellaneous Provisions

SECTION 7.1 Principal Office. The principal office of the Corporation in the State of Illinois shall be located at Bannockburn School Parent Organization, c/o Bannockburn School, 2165 Telegraph Road, Bannockburn, IL, 60015.

SECTION 7.2 Corporate Seal. In the event that the Corporation possesses a corporate seal, the corporate seal of the Corporation shall be circular in form, bearing the name of the Corporation and the word "ILLINOIS" in the marginal circle, and the words "Corporate Seal" in the inner circle. Said seal may be used by causing it or a facsimile or equivalent thereof to be impressed or affixed or reproduced.

SECTION 7.3 Depositories. 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 Directors may designate. For the purpose of deposit and for the purpose of collection for that account of the Corporation, checks, drafts and other orders of the Corporation may be endorsed, assigned and delivered on behalf of the Corporation by any officer or agent of the Corporation.

SECTION 7.4 Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed or endorsed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors or any committee to which such authority has been delegated by the Board. Two (2) Directors must sign checks written for \$1000.00 or more.

SECTION 7.5 Fiscal Year and Annual Budget. The fiscal year of the Corporation shall end on the 30th day of June of each year. The annual budget of the Corporation shall be determined by the Board of Directors and voted upon by the members at the annual meeting.

SECTION 7.6 Delivery of Notice. Unless otherwise provided by these Bylaws, any notices required to be delivered pursuant to these Bylaws shall be deemed to be delivered when transferred or presented in person; deposited in the United States mail addressed to the person at his, her, or its address as it appears on the records of the Corporation, with sufficient first-class postage prepaid thereon; or transmitted by electronic means to the address that appears on the records of the Corporation.

SECTION 7.7 Conflict of Interest Policy. All officers, directors, and employees of the Corporation shall abide by the Conflict of Interest Policy attached hereto as Appendix A and hereby incorporated herein, as may be amended or modified by the Board of Directors from time to time.

ARTICLE VIII

Amendments

SECTION 8.1 Method of Amendment. These Bylaws may be altered, amended, or repealed, and new and other Bylaws may be made and adopted at any annual or regular meeting of the members, or at any special meeting called for that Purpose, by the affirmative vote of a majority of the members in attendance at such meeting, provided prior notice is given of the proposed amendment in the notice of the meeting at which such action is taken, or provided all members waive such notice.

ARTICLE IX

Distributions

SECTION 9.1 Distributions. The Board of Directors of the Corporation may authorize, and the Corporation may make, distributions of its money, property or other assets, other than upon dissolution and final liquidation, subject to the limitations of Section 9.4 of these Bylaws, only:

- (a) To any person or organization who or that has made payments to the Corporation for goods or services, as a fractional repayment of such payments, provided all such persons or organizations in any category are repaid on an equal pro rata basis; or
- (b) To any person or organization as a repayment of his, her or its contribution of an amount not to exceed the amount of the contribution, provided that any assets held for any charitable, religious, benevolent, educational or similar purpose or held upon a condition requiring return, shall continue to be so restricted.

SECTION 9.2 Payments in Furtherance of Purposes. Any payment or transfer of money, property or other assets in furtherance of any of the purposes of the Corporation shall not be deemed a distribution for the purposes of this Article IX and this Article IX shall not be construed as limiting the purposes and powers of the Corporation.

SECTION 9.3 Determination of Distributions. All distributions by the Corporation permitted by this Article IX shall be at the option of the Corporation only and at such amount or amounts, within the period or periods, and on such terms and conditions, not inconsistent with the purpose of the Corporation and statute, as are fixed by the Board of Directors of the Corporation.

SECTION 9.4 Limitation on Distributions. No distribution under Section 9.1 of these Bylaws may be made if, after giving it effect:

- (a) The Corporation would be insolvent; or
- (b) The net assets of the Corporation would be less than zero; or
- (c) The Corporation would be rendered unable to carry on its corporate purposes.

ARTICLE X

Restrictions on Activities

SECTION 10.1 Effectiveness of Provisions in Article X. The provisions of this Article X shall not be effective or binding upon the Corporation, its Board of Directors, or its officers to the extent that the organization is determined not to be a private foundation or private operating foundation subject to the provisions of Chapter 42 of the Internal Revenue Code of 1986, or to the corresponding provisions of any subsequent Federal tax law.

SECTION 10.2 Investments. Unless otherwise specified by the terms of a particular gift, bequest or devise, grant or other instrument, the funds of the Corporation may be invested, from time to time, in such manner as the Board of Directors may deem advantageous without regard to restrictions applicable to trustees or trust funds; provided, however:

- (a) the Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law; and
- (b) the Corporation shall not make any investments as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

SECTION 10.3 Self-Dealing. The Corporation shall not engage in any act of self dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

SECTION 10.4 Distribution of Income. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

SECTION 10.5 Certain Expenditures. The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

ARTICLE XI

Books and Records

SECTION 11.1 The Corporation shall keep correct and complete books and records of account. Corporate records shall include a minute book, which shall contain a copy of the Articles of Incorporation, a copy of these Bylaws and all minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors. The Corporation shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XII

Rules of Order Governing Meetings of the Membership and of the Board of Directors

SECTION 12.1 Robert's Rules of Order. At all meetings of the Board of Directors and of the membership, the rules contained in the most recent edition of Robert's Rules of Order shall govern to the extent they are applicable and not inconsistent with these Bylaws or any special rules of order that the Corporation may adopt.

Effective: November 6, 2007.

Appendix A

Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization 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.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. 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 Organization has a transaction or arrangement,
- b.** A compensation arrangement with the Organization or with any entity or individual with which the Organization 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 Organization 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 Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III

Procedures

1. 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 governing board delegated powers considering the proposed transaction or arrangement.

2. 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/she shall leave the governing 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.

3. Procedures for Addressing the Conflict of Interest

- a.** An interested person may make a presentation at the governing 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 chairperson of the governing board or 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 governing board or committee shall determine whether the Organization 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 governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's 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.

4. Violations of the Conflicts of Interest Policy

- a.** If the governing 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 governing 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.

Article IV Records of Proceedings

The minutes of the governing 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 governing board'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.

Article V Compensation

- a.** A voting member of the governing board who receives compensation, directly or indirectly, from the Organization 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 Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c.** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement 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 Organization 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.

Article VII Periodic Reviews

To ensure the Organization 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 Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in increment, impermissible private benefit or in an excess benefit transaction.

Article VIII Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

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