

BY-LAWS OF DEKALB COUNTY QUILTERS GUILD

ARTICLE I

OFFICES

The corporation shall continuously maintain in the State of Illinois a registered office and a registered agent whose home address is identical with such registered office and may have other offices within or without the State.

ARTICLE II

MEMBERS

SECTION 1. CLASSES OF MEMBERS. The corporation shall have two classes of members. The designation of each class and the qualifications of the members of each class shall be as follows:

- (a) Regular Membership. Any person with an interest in the art of quilting shall be eligible for regular membership and shall become a regular member upon payment of current dues. Persons eligible for regular membership shall be entitled to all of the rights and privileges attendant with regular membership.
- (b) Associate Membership. Any person, upon payment of half the yearly amount of regular dues, shall be an associate member. The associate member will hold the status of a guild supporter, shall receive current copies of the newsletter for that year, and be responsible for the guest fee when applicable.
- (c) Special Membership. Any person who is a full-time high school or college student shall be eligible for special membership and shall become a special member upon payment of half the amount of regular annual membership dues. Any person applying for special membership must provide proof of full-time student status. Special members shall have all the benefits and responsibilities of regular members.

SECTION 2. VOTING RIGHTS. Each regular member shall be entitled to one (1) vote on each matter submitted to a vote of the membership.

SECTION 3. TERMINATION OF MEMBERSHIP. The Board of Directors by affirmative vote of two-thirds (2/3rds) of all the members of the Board may suspend or expel a member for cause appropriate after a hearing, and any member in default in payment of dues shall be automatically terminated in accordance with Article X, Section 3 of these by-laws.

SECTION 4. RESIGNATION. Any member may resign by filing a written resignation with the Secretary.

SECTION 5. REINSTATEMENT. Upon written request signed by a former member who was suspended or expelled pursuant to Section 3 above, filed with the Secretary of the corporation, the Board of Directors may, by affirmative vote by two-thirds (2/3rds) of all the members of the Board, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

SECTION 6. TRANSFER OF MEMBERSHIP. Membership in this corporation is not transferable or assignable.

SECTION 7. NO MEMBERSHIP CERTIFICATES. No membership certificates of the corporation shall be required.

SECTION 8. COMPENSATION FOR SERVICES. Members who are hired to conduct the on-going, monthly or special programs of the corporation may be entitled to compensation as determined by the Board of Directors. Members hired to present programs or teach workshops shall be entitled to compensation on the same terms as a guest speaker.

SECTION 9. GUESTS. Guests shall be welcome to attend meetings conducted by the corporation for members and the public at large upon the payment of a nominal admission fee to be determined by the Board of Directors.

ARTICLE III

MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on the fourth (4th) Thursday of April each year for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If such day be a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members may be called either by the President or the Board of Directors, or not less than one-tenth (1/10th) of the members having voting rights, for the purposes stated in the call of the meeting.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the then-current regular meeting place of the Guild, or if none, such place within DeKalb County or Kane County, Illinois, as may be designated in the notice of the meeting.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five (5) nor more than sixty (60) days before the date of such meeting, or, in the case of the removal of one or more Directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) nor more than sixty (60) days before the date of the meeting. In case of a special meeting or when required by statute or by these By-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of the meeting shall be deemed delivered when deposited in the United States Mail addressed to the member at her or his address as it appears on the records of the corporation, with postage prepaid thereon. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the corporation, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either:

- (i) by all the members entitled to vote with respect to the subject matter thereof, or
- (ii) by the members having not less than the minimum 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 such consent is signed by less than all of the members entitled to vote, the such consent shall become effective only if:

- (1) at least five (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 subject matter thereof, and
- (2) after the effective date of such consent, prompt notice in writing of the taking of the corporation action without a meeting is delivered to those members entitled to vote who have not consented in writing.

SECTION 6. FIXING OF RECORD DATE. For the purpose of determining the members entitled to notice of or to vote at any meeting of the members, or in order to make a determination of members for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of members, such date in any case to be no more than sixty (60) days and, for a meeting of members, not less than five (5) days, or in the case of a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) days before the date of such a meeting. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is delivered shall be the record date for such determination of members. When determination of members entitled to vote at any meeting of members has been made, such determination shall apply to any adjournment of the meeting.

SECTION 7. QUORUM. The holders of one-tenth (1/10th) of the votes which may be cast at a meeting of the corporation, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members, provided that, if less than one-tenth (1/10th) of the outstanding votes are represented at said meeting, a

majority of the votes so represented may adjourn the meeting at anytime without further notice. If a quorum is present, the affirmative vote of the majority of votes represented at the meeting shall be the act of the members, unless the vote of a greater number or voting by classes is required by the General Not-For-Profit Corporation Act, the Articles of Incorporation or these By-laws. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 8. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for her or him by proxy, but no such proxy shall be voted or acted upon after eleven (11) months from its date of execution, unless the proxy provides for a longer period.

SECTION 9. VOTING. Each member, regardless of class, shall be entitled to one (1) vote in each matter submitted to vote at a meeting of members. Each member may vote either in person or by proxy as provided in Section 8 above.

SECTION 10. INSPECIORS. At any meeting of members, the chairman of the meeting may, or upon request of any member shall, appoint one (1) or more persons as inspectors for such meeting. Such inspectors shall ascertain and report the number of votes represented at the meeting, based upon their determination of the validity and effect of the proxies, count all votes and report the results, and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the members. Each report of an inspector shall be in writing and signed by her or him or by a majority of them if there be more than one inspector acting at such a meeting. If there is more than one inspector, the report of the majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of votes represented at the meeting and the results of the voting shall be prima facie evidence thereof.

SECTION 11. VOTING BY BALLOT. Voting on any question or in any election may be by voice unless the chairman of the meeting shall order or any member shall demand that voting be by ballot.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by or under the direction of its Board of Directors. A majority of the Board of Directors may establish reasonable compensation for their services and the services of other offices, irrespective of any personal interest.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be seven (7). The Directors elected at the first annual meeting shall be divided into two groups. Group 1 shall consist of four (4) Directors who shall be nominated and elected for a term of one (1) year, and Group 2 shall consist of three (3) Directors who shall be nominated and elected for a term of two (2) years. Thereafter, as their respective terms of office expire, their successors shall be elected for a term of two (2) years. All Directors shall hold office for the term for which they were elected and until their successors are elected and qualified. Directors need not be residents of Illinois or members of the corporation. "The number of Directors may be decreased to not fewer than three (3) or increased to any number from time to time by amendment of this Section. No decrease shall have the effect of shortening the term of an incumbent Director.

SECTION 3. NOMINATIONS FOR DIRECTOR. At least sixty (60) days before each annual meeting of members at which Directors are to be elected, the President shall appoint a nominating committee of three (3) members. The nominating committee shall nominate as many qualified persons as there are to be Directors elected that year. The Chairman of the nominating committee shall present nominations to the annual meeting. Additional nominations may be made from the floor by any voting member. Members shall vote for as many of the nominated members as there are Director positions to be filled that year. The candidates receiving the most votes shall be elected to the Board of Directors.

SECTION 4. REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held without other notice than these By-laws, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings

of the Board without other notice than such resolution.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board of the Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

SECTION 6. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previous thereto by written notice to each Director at her or his address as shown by the records of the corporation except that no special meeting of Directors may remove a Director unless written notice of the proposed removal is delivered to all Directors at least twenty (20) days prior to such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope so addressed, with postage prepaid thereon. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegram company. If notice is to be given by facsimile, notice shall be deemed sent as established by facsimile report. Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to such notice either before or after the time of the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a 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 regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-laws.

SECTION 7. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

SECTION 8. 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 of Directors, unless the act of a greater number is required by statute, these By-laws or the Articles of Incorporation. No Director may act by proxy on any matter.

SECTION 9. VACANCIES. Any vacancies occurring in the Board of Directors or any Directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors unless the Articles of Incorporation, a statute, or these By-laws provide that a vacancy or a Directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected or appointed, as the case may be, to fill the vacancy shall be elected for the unexpired term of her or his predecessor in office.

SECTION 10. RESIGNATION OR REMOVAL OF DIRECTORS. A Director may resign at any time upon written notice to the Board of Directors. A Director may be removed with or without cause as specified by statute.

SECTION 11. INFORMAL ACTION BY DIRECTORS. The authority of the Board of Directors may be exercised without a meeting if a consent in writing, setting forth the action to be take, is signed by all of the Directors entitled to vote.

SECTION 12. COMPENSATION. The Board of Directors, by the affirmative vote of the majority of Directors then in office and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation of all Directors for services to the corporation as Directors, officers or otherwise notwithstanding any Director's conflict of interest. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, for attendance at each meeting of the Board. No such payment previously mentioned in this Section shall preclude any Director from serving the corporation in any other capacity and receiving reasonable compensation therefore.

SECTION 13. PRESUMPTION OF ASSENT. A Director of the corporation who is present at a meeting of the Board of Directors at which action on any corporation matter is taken shall be deemed conclusively to have assented to the action taken unless her or his dissent shall be entered in the minutes of the meeting or unless she or he shall file her or 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 or certified mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE V

OFFICERS

SECTION 1. OFFICERS. The officers of the corporation shall consist of a President, one (1) or more Vice Presidents (the number of which shall be determined by the Board of Directors), a Treasurer, a Secretary, and such other offices as may be elected or appointed by the Board of Directors. Officers whose authority and duties are not prescribed in these By-laws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person during a term of office.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually at the regular annual meeting of the members. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until her or his successor shall have been duly elected and shall have been qualified or until she or he shall resign or shall have been removed in the manner hereinafter provided, No officer shall serve more than one two (2)-year term in the same office without a minimum of one (1) intervening year before re-election to that office. Election of an officer shall not of itself create contract rights.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The President shall be the principal executive officer of the corporation subject to the direction and control of the Board of Directors, she or he shall be in charge of the business of the activities and affairs of the corporation; she or he shall see that the resolutions or directives of the Board of Directors are carried into effect except in those instances where that responsibility is assigned to some other person by the Board of Directors; and, in general, she or he shall discharge all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors. She or he shall preside at all meetings of the members and of the Board of Directors. Except in those instances in which the authority to execute is expressly prescribed by another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-laws, she or he may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and she or he may accomplish such execution either under or without the seal of the corporation and either individually or with the Secretary, any Assistant Secretary or any other office thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. She or he may vote all securities which the corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the corporation by the Board of Directors.

SECTION 5. VICE PRESIDENT. The Vice President (or in the event there be more than one Vice President, each of the Vice Presidents) shall assist the President in the discharge of her or his duties as the President may direct and shall perform such other duties as from time to time may be assigned to her or him by the President or Board of Directors. In the absence of the President or in the event of her or his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents, in the order designated by the Board of Directors, or by the President if the Board of Directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-laws, the Vice President (or any of them if there is more than one) may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, or she or he may accomplish such execution either under or without the seal of the corporation or either individually or with the Secretary, any Assistant Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

5. 1. VICE PRESIDENT, PROGRAMS. Vice President, Programs, in addition to the duties set forth in Section 5, shall be responsible for scheduling programs and workshops for two consecutive program years, and perform all duties incident to the office of Vice President, Programs and such duties as from time to time may be assigned to her or him by the President or Board of Directors.

5. 2. VICE PRESIDENT, SPECIAL EVENTS. Vice President, Special Events, in addition to the duties set forth in Section 5, shall be responsible for coordinating the corporation's charitable activities and special events and perform all duties incident to the office of Vice President, Special Events, and such duties as from time to time may be assigned to her or him by the President or the Board of Directors.

SECTION 6. TREASURER. The Treasurer shall be the principal accounting and financial officer of the corporation. She or he shall (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefore, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned her or him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of her or his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 7. SECRETARY. The Secretary shall (a) record the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-laws or as required. by law; (c) be a custodian of the corporate records and of the seal of the corporation; (d) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and (e) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to her or him by the President or Board of Directors.

SECTION 8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The Assistant Treasurers and Assistant Secretaries, if any, shall perform such duties as shall be assigned to them by the Treasurer or Secretary, respectively, or by the President or the Board of Directors. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

SECTION 9. SALARIES. The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that she or he is also a Director of the corporation.

ARTICLE VI

COMMITTEES, COMMISSIONS AND ADVISORY BOARDS

SECTION 1. COMMITTEES. The Board of Directors by resolution adopted by the majority of the Directors in office, may designate one or more committees each of which will consist of two (2) or more Directors and such other persons as the Board of Directors designates, provided that a majority of each committee's members are Directors. Each committee shall, except to the extent restricted in said resolution or by law, have and exercise the authority of the Board of Directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it, her or him by law.

SECTION 2. COMMISSIONS AND ADVISORY BOARDS. Commissions or advisory bodies not having and exercising the authority of the Board of Directors and corporation may be designated or created by the Board of Directors and shall consist of such persons as the Board of Directors designates. A commission or advisory body may not have Directors as members, as the Board of Directors determines. The commission or advisory body may not act on behalf of the corporation or bind it to any actions, but may make recommendations to the Board of Directors or to the officers of the corporation.

SECTION 3. TERM OF OFFICE. Each member of a committee, advisory board or commission shall continue as such until the next annual meeting of members of the corporation and until her or his successor is appointed, unless the committee, advisory board or commission shall be sooner terminated, or unless such member be removed from such committee, advisory board or commission by the Board of Directors, or unless such member shall cease to qualify as a member thereof, or resign.

SECTION 4. CHAIRMAN. One member of each committee advisory board or commission shall be appointed chairman by the Board of Directors.

SECTION 5. VACANCIES. Vacancies in membership of any committee, advisory board or commission may

be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, advisory board or commission, a majority of the whole committee, advisory board or commission shall constitute a quorum and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the committee, advisory board or commission.

SECTION 7. RULES. Each committee, advisory board or commission may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

SECTION 8. INFORMAL ACTION. The authority of a committee, advisory board or commission may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all the members entitled to vote.

ARTICLE VII

CONTRACTS, CHECKS, DRAFTS, DEPOSITS AND FUNDS

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-laws, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner as from time to time may be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and counter-signed by the President or a Vice President of the corporation.

SECTION 3. DEPOSITS. All funds of the corporation 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 select.

SECTION 4. GIFTS. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII

BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the name and address of the members entitled to vote. All books and records of the corporation may be inspected by any member or her or his attorney or agent for any proper purpose at any reasonable time.

ARTICLE IX

FISCAL YEAR

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE X

DUES

SECTION 1. ANNUAL DUES. The Board of Directors may determine from time to time the amount of initiation fee, if any, and annual dues payable to the corporation by members of each class.

SECTION 2. PAYMENT OF DUES. Dues shall be payable in advance at the April meeting of the members

in each year. New member dues shall be prorated from January of the following calendar year until the end of the fiscal year.

SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP. When any member of any class shall be in default in the payment of dues for a period of one (1) month from the beginning of the period for which such dues shall become payable, her or his membership shall thereupon automatically be terminated.

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the By-laws of the corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XII

INDEMNIFICATION

SECTION 1. INDEMNIFICATION IN ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION. The corporation may 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, investigative (other than an action by or in the right of the corporation), by reason of the fact that she or he is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgment, 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 or she 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 her or his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon the plea of *no lo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which she or 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, that the person had reasonable cause to believe her or his conduct was unlawful.

SECTION 2. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION. The corporation may 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, 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, 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 she or 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 to 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 her or his duty to the corporation, unless, and only to the extent that the court in which such action or suit shall determine upon applicable 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 3. RIGHT TO PAYMENT OF EXPENSES. 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 1 and 2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonable incurred by such person in connection therewith.

SECTION 4. DETERMINATION OF CONDUCT. Any indemnification under Sections 1 and 2 of this

Article (unless ordered by a court) shall be made in 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 she or he has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who are 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, or (c) by the members entitled to vote, if any.

SECTION 5. PAYMENT OF EXPENSES IN ADVANCE. Expenses 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 she or he is entitled to be indemnified by the corporation as authorized in this Article.

SECTION 6. INDEMNIFICATION NOT EXCLUSIVE. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or disinterested Directors, or otherwise, both as to action in her or his official capacity and as to action in another capacity while holding such office, and shall continue as to the person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefits of the heirs, executors and administrators of such a person.

SECTION 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 her or 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.

SECTION 8. NOTICE TO MEMBERS. If the corporation has paid indemnity or has advanced expenses under this Article to a Director, officer, employee or agent, the corporation shall report the indemnification or advance in writing to any members entitled to vote with or before the notice of the next meeting of the members entitled to vote.

SECTION 9. REFERENCES TO CORPORATION. For purposes of this Article, references to "the corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporations having merged with a merging corporation) absorbed in a merger which, if its separate existence has 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 who 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 provision of this Article with respect to the surviving corporation as such person would have with respect to such merging corporation if its separate existence had continued.

SECTION 10. OTHER REFERENCES. For purposes of this Article, reference to "other enterprises" shall include employee benefit plans; reference to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references "serving at the request of the corporation" shall include any services a Director, officer, employee or agent of the corporation which imposes duties on, or involves services by such Director, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner she or he reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article.

ARTICLE XIII

AMENDMENTS

The power to alter, amend, or repeal the By-laws or adopt new By-laws shall be vested in the Board of Directors unless otherwise provided in the Articles of Incorporation or these By-laws. Such alteration, amendment or repeal of the By-laws or adoption of new By-laws shall become effective on affirmative vote of two-thirds (2/3rds) of all the members of the Board. Such action shall be taken at a regular or special meeting for which written notice of the purpose shall be given. The By-laws may contain any provision for the regulation and management of the affairs of the corporation not inconsistent with laws or the Articles of Incorporation.