

AMENDED AND RESTATED BYLAWS
OF
EASTERN MAINE AGILITY CLUB

Adopted _____

Effective _____

BYLAWS
OF
EASTERN MAINE AGILITY CLUB

ARTICLE I
GENERAL

Section 1.1. Name. The name of this nonprofit corporation shall be Eastern Maine Agility Club (the “Corporation”) or such other name as the Voting Members (as hereinafter defined) may approve. The Corporation is organized as a nonprofit corporation under the laws of the State of Maine.

Section 1.2. Registered Agent and Office. In compliance with the Maine Nonprofit Corporation Act (the “Act”), the Corporation shall have, and shall continuously maintain, a statutory registered agent who shall be a resident of the state of Maine. The Directors (as hereinafter defined) shall have the power to change the identity of the registered agent from time to time by filing an appropriate form with the Secretary of State of the State of Maine. The registered agent shall maintain a registered office within the state of Maine. The address of the registered office may be changed from time to time by either the registered agent, or the Directors, upon filing an appropriate form with the Secretary of State of the State of Maine.

Section 1.3. Articles of Incorporation. The name and purposes of the Corporation shall be as set forth in the Articles of Incorporation as amended from time to time (as so amended, the “Articles”). These Bylaws, the powers of the Corporation, its members, its Directors, Officers and all matters concerning the conduct and regulation of the affairs of the Corporation shall be subject to the Articles of Incorporation in effect from time to time.

ARTICLE II
PURPOSES

Section 2.1. General Purposes. The Corporation was organized and shall be operated for the purposes set forth in its Articles as well as for all other purposes permitted under the Act. The Corporation shall not carry on any activities not permitted to be carried on by an entity exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended (the “Code”).

Section 2.2. Powers. The Corporation shall have all the powers set forth in the Articles and the Act.

Section 2.3. Prohibition of the Inurement of Assets and Income to Private Persons. The Corporation is not organized for pecuniary profit. No part of its net earnings or of its principal shall inure to the benefit of any Member, Officer or Director of the Corporation, or any other private persons, but reimbursements for expenditures or the payment of

reasonable compensation for services rendered shall not be deemed to be a distribution of earnings or principal.

Section 2.4. Dissolution. If the Corporation is dissolved or its legal existence terminated, either voluntarily or involuntarily, or upon final liquidation of the Corporation, none of its assets shall inure to the benefit of any private individual, and all of its assets remaining after payment of all of its liabilities and the creation of a reasonable reserve for contingent liabilities, if any, shall be transferred to some other organization exempt under Sections 501(c)(3) or 501(c)(4) of the Code (or any successor provision), or to the United States or an instrumentality thereof for exclusively public purposes, or to the State of Maine or a political subdivision thereof for exclusively public purposes.

ARTICLE III MEMBERSHIP

Section 3.1. Classes of Members.

There shall be four (4) classes of members with the following designations, methods of election or appointment and qualifications and rights:

(a) Regular Members:

- (i) Regular Members must be eighteen (18) years of age or older, have attended at least two (2) Corporation meetings, and be sponsored by two members in good standing, of either Regular Member or Life Member status.
- (ii) Regular Members shall have voting rights, and shall be entitled to hold office.
- (iii) Regular Members shall attend at least one (1) meeting per calendar year. Any Regular Member failing to attend at least one (1) meeting during a calendar year, shall cease to be a Regular Member, and instead shall become an Associate Member, upon the commencement of the subsequent calendar year.

(b) Associate Members:

- (i) New members shall be Associate Members until meeting the requirements of Regular Member, or Junior Member, status, as described herein.
- (ii) Associate Members shall have no voting rights, and are not entitled to hold office.
- (iii) Associate Members seeking Regular Member or Junior Member status may, upon meeting the requirements of Section 3.1(a)(i) hereof, apply to the Board of Directors for recognition of such status. The Board of Directors may designate the form of such

application. Associate Members shall be recognized as Regular Members or Junior Members only upon the payment of any pro-rated dues required of the applicable status, and approval by a two-thirds (2/3) vote of the Board of Directors.

(c) Junior Members:

- (i) Those meeting the requirements of Regular Member status except for the minimum age requirement of eighteen (18) years, shall be Junior Members upon approval of the Board of Directors.
- (ii) Junior Members shall have voting rights, but may not hold office.
- (iii) Junior Members automatically become Regular Members upon reaching the age of eighteen (18) years.

(d) Life Members:

- (i) Membership status as a Life Member is granted by the Board of Directors, solely in its own discretion, in recognition of distinguished service to the Corporation. Any member of the Corporation, whether voting or non-voting, may nominate another member for Life Member status. The Board of Directors may, but shall not be required to, act upon such nomination.
- (ii) Life Members shall have all rights and privileges accorded Regular Members, but shall not be subject to any dues that may otherwise be required of Regular Members. Except for payment of dues, Life Members shall be subject to all other requirements of Regular membership.
- (iii) Life Members are not exempt from removal by the Board of Directors under Section 3.2 hereof.

Regular Members, Junior Members, and Life Members may, collectively, be referred to herein as "Voting Members." Associate Members may be referred to herein as "Nonvoting Members."

Section 3.2. Termination of Membership. Members may be removed by a majority vote of the Board of Directors, or for failure to pay annual dues. Notice of termination of membership shall be in writing.

Section 3.3. Regular Meetings. Regular meetings of the Corporation shall be held at such dates, times, and places as determined by the Board of Directors.

Section 3.4. Annual Meetings. A meeting shall be held annually in December in each year or at such other date, and at such time and place, as the Board of Directors shall determine. If there shall be a failure, for whatever reason, to hold the annual meeting for a

period of ninety (90) days after the date for such meeting, a substitute meeting may be called by any person or persons entitled to call a special meeting of the members.

Section 3.5. Special Meetings. Special meetings of the members may be called by the President, by the Board of Directors, or by Voting Members holding at least twenty percent (20%) of all the votes entitled to be cast at such meeting. The purpose of any special meeting shall be as stated in the call of or request for the meeting.

Section 3.6. Notice of Meetings. Notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than seven (7) nor more than thirty (30) days before the date of the meeting. Such notice must be given by personal delivery, by mail, by fax, by e-mail, or by telephone, addressed to such Member at his or her address as it appears on the records of the Corporation, with postage or other delivery fees prepaid, or at his or her fax number, or telephone number or e-mail address as it appears on the records of the Corporation. Notice by mail shall be deemed to be given at the time it is deposited in the United States Mail.

Section 3.7. Meeting of all Members. If all of the Voting Members shall meet at any time and place and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

Section 3.8. Record Date. For the purpose of determining the 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 purpose, the date on which notice of the meeting is mailed or the date on which the resolution describing such other purpose is adopted, as the case may be, 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 apply to any adjournment thereof.

Section 3.9. Voting and Quorum. Each Voting Member in good standing, with any required dues paid, shall have one vote on all matters requiring a vote of the Voting Members hereunder, or under the Articles, the Act or applicable law. Proxy voting shall not be permitted. Except for actions identified in these Bylaws or under the Act that require the consent or approval of a supermajority of the Voting Members, a majority of the Voting Members, represented in person, shall constitute a quorum at any meeting of members. In the absence of a quorum at any such meeting, a majority of the interest so represented may adjourn the meeting from time to time for a period not to exceed thirty (30) days without further notice. However, if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Voting Member of record entitled to vote at the meeting. 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 noticed. The Voting Members present at a duly organized meeting

may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of members whose absence would cause less than a quorum.

Section 3.10. Manner of Acting. Except for actions identified in these Bylaws or under the Act that require approval by a supermajority of the Voting Members (such specific provisions to control in all such instances), if a quorum is present, the affirmative vote of a majority of the Voting Members represented in person shall be the act of the members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act, by the Articles, or by these Bylaws. Unless otherwise expressly provided herein or required under applicable law, members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Voting Members vote or consent, may vote or consent upon any such matter and their vote or consent, as the case may be, shall be counted in the determination of whether the requisite matter was approved by the members.

Section 3.11. Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by those Voting Members entitled to vote whose votes would be sufficient to take the action in question if taken at a meeting of the members. Such written consents shall be delivered to a Director of the Corporation for inclusion in the minutes of or for filing with the Corporation's permanent records. A copy of any action taken under this Section shall be promptly provided to all Voting Members entitled to vote who have not signed the written consent(s) in question. Action taken under this Section is effective when Voting Members entitled to vote whose votes would be sufficient to take the action in question if given at a meeting have signed the consent, unless the consent specifies a different effective date. The record date for determining Voting Members entitled to take action without a meeting shall be the date the first Voting Member signs a written consent.

Section 3.12. Waiver of Notice. When any notice is required to be given to any member, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3.13. Telephonic Meetings, etc. The members may hold a meeting by conference telephone, live internet audio or video stream, or similar communications equipment by means of which all persons participating in the meeting can speak and hear each other, and such participation in a meeting shall constitute the presence of the member at such meeting. Notice of such meeting shall give each member the telephone number to which, or other manner in which, he or she will call.

Section 3.14. Dues. The Board of Directors shall establish, and may adjust from time to time, the dues and assessments for each category of membership. In addition, special levies to meet Corporation expenses may be assessed by a two-thirds (2/3) vote of the membership at a meeting for which specific notice of such proposal has been given.

ARTICLE IV
BOARD OF DIRECTORS

Section 4.1. Management by Board. The affairs of the Corporation shall be managed by its Board of Directors, which may exercise all powers of the Corporation and do all lawful acts and things necessary or appropriate to carry out the purposes of the Corporation.

Section 4.2. Number of Directors; Eligibility. The number of elected directors (the “Directors”) shall be not less than five (5) nor more than seven (7) and shall be fixed from time to time within the foregoing limits by a majority of the Voting Members.

Section 4.3. Election; Nominations. Directors, including officers under Article VI, hereof, shall be elected by written ballot at the annual meeting of members. Notice of the annual meeting of members shall include a written ballot for Directors, which notice shall include instructions for absentee voting as determined by the Board of Directors. The Secretary shall tally these votes at the annual meeting of members. The candidate receiving the greatest number of votes for each available position shall be declared elected to such position. Each Director shall hold office until his or her successor shall have been duly elected and qualified, or until his or her earlier resignation, removal from office or death.

The Board of Directors shall appoint a nominating committee (the “Nominating Committee”), and establish a nominating process. The Board of Directors shall name a chairperson for the Nominating Committee and it shall be his or her duty to call a meeting of the Nominating Committee. The Nominating Committee shall present nominee(s) for each officer position described in Article VI, herein, as well as for other Director(s), if any, at a meeting of the members to be held in November of each year. More than one person may be nominated for any position. Additional nominations may be made by any Voting Member in good standing at the November meeting or by email to the Secretary within two days of that meeting.

Section 4.4. Vacancies and Resignation. Unless and until filled by a majority of the Voting Members, any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement in the number of Directors, may be filled by vote of a majority of the Directors then in office, although less than a quorum, or by a sole remaining Director. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office, and a Director chosen to fill a position resulting from an increase in the number of Directors, shall hold office until the next annual meeting of members and until his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal. Any Director may resign his or her office by delivering a written notice to the Board of Directors, its Chair, or the Corporation.

Section 4.5. Removal of Directors. The Voting Members may suspend or remove a Director at any time, with or without cause, by the affirmative vote of two-thirds (2/3) of

the Voting Members (other than the Director subject to removal) present at a regular or special meeting of the Board. Any Director subject to removal will be given two (2) weeks' notice of the pending vote and will be permitted to attend and speak at aforementioned meeting. In the event immediate action is required to preserve the property or reputation of the Corporation, a Director may be suspended by the unanimous vote of the remaining Directors, which vote may be obtained in any manner otherwise permitted by these Bylaws. Upon any such suspension, the Board of Directors shall promptly call a special meeting of the members for the purpose of voting upon the removal of the suspended Director.

Section 4.6. Responsibilities of Directors. The Board of Directors shall at all times act in accordance with the duties of care, loyalty, and obedience found in the Act. Directors are expected to attend Board meetings, participate in committees, participate in fundraising and assist in recruiting new Board members.

ARTICLE V MEETINGS OF THE BOARD

Section 5.1. Annual Meeting. The Board of Directors shall meet annually for the transaction of such business as may come before the meeting. This annual meeting shall be held in December, immediately following the annual meeting of members or on such other date as the Board of Directors may specify, and at such time and place as shall be designated by the Board of Directors.

Section 5.2. Regular Meetings. Regular meetings of the Board of Directors may be held on such notice, at such time and at such place as may from time to time be determined by the Board of Directors.

Section 5.3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Corporation on his or her own motion or upon written request of a majority of the Directors, and held not less than three (3) nor more than thirty (30) days after such notice is given to each Director, either personally, by mail, electronic mail, facsimile, or by telephone.

Section 5.4. Unanimous Action by Directors Without a Meeting. Any action may be taken without a meeting if all of the Directors sign written consents setting forth the action taken or to be taken, at any time before or after the intended effective date of such action. Such consents shall be filed with the minutes of Directors' meetings and shall have the same effect as a unanimous vote.

Section 5.5. Waiver. Whenever under the provisions of the statutes, the Articles or these Bylaws, notice is required to be given to any Director, 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 of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a

Director attends 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 of Directors need be specified in the notice or waiver of notice of such meeting unless required by law or these Bylaws.

Section 5.6. Telephonic Meetings. The Directors may hold a meeting by conference telephone, live internet audio or video stream, or similar communications equipment by means of which all persons participating in the meeting can speak and hear each other, and such participation in a meeting shall constitute the presence of the Director at such meeting. Notice of such meeting shall give each Director the telephone number to which, or other manner in which, he or she will call.

Section 5.7. Manner of Acting. Except as specified by law or these Bylaws, the Board of Directors shall act by the affirmative vote of a majority of the Directors present at a meeting. Each Director shall have one (1) vote. Voting by proxy shall not be permitted.

Section 5.8. Quorum. The presence (in person or telephonically) of a majority of the Directors elected and then serving shall constitute a quorum for the transaction of business. If a quorum shall have been present at a meeting but shall not be present at a time when an action is to be taken, the Directors then present may adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall again be present at which time the meeting may be reconvened. At such reconvened meeting, at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.9. Conduct of Meeting; Record of Meetings. The President of the Corporation, or in his or her absence, a Vice President, if any, or, in his or her absence, the Treasurer, or, in his or her absence, any Director chosen by the Directors present shall call meetings of the Board of Directors to order and shall act as the presiding officer for the meeting. One of the Directors designated by the Board participating in the meeting shall keep a record of the meeting.

Section 5.10. Informal or Irregular Action by Directors. Action of the Directors may be taken in accordance with the provisions of the Act. In amplification of, and not in limitation of the foregoing, an action taken by agreement of two-thirds (2/3) of the Directors shall be deemed action of the Board of Directors if all Directors know of the action taken and no Director makes prompt objection to such action. Objection by a Director shall be effective if written objection to any specific action so taken is filed with the Secretary of the Corporation within thirty (30) days of such specific action.

Section 5.11. Notice. Whenever under the provisions of the statutes, the Articles or these Bylaws, notice is required to be given to any Director, such notice must be given in by personal delivery, by mail, by fax, by e-mail, or by telephone, addressed to such Director at his or her address as it appears on the records of the Corporation, with postage

or other delivery fees prepaid, or at his or her fax number, or telephone number or e-mail address as it appears on the records of the Corporation. Notice by mail shall be deemed to be given at the time it is deposited in the United States Mail.

ARTICLE VI OFFICERS AND AGENTS

Section 6.1. Officers and Agents. The Voting Members shall, at the annual meeting of members, elect the officers of the Corporation following the process described in Section 4.3, herein. Each officer elected shall constitute a Director. The officers of the Corporation shall include a President, a Treasurer, a Secretary, a Vice President and a Members' Representative, and such other officer(s) as the Board of Directors may from time to time designate. The Board of Directors may appoint such other officers and agents as it shall deem necessary. Such officers and agents shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 6.2. Term of Officers. Officers shall be elected at the Annual Meeting, except in the case of elections to fill vacancies. An officer of the Corporation shall hold office for a term of one (1) year or until his or her successor shall have been elected and qualified. Any officer elected or appointed by the Board of Directors may be removed with or without cause at any time by an affirmative vote of two-thirds (2/3) of the Directors present at a meeting. Any vacancy occurring in any office of the Corporation shall be filled by vote of the Directors.

Section 6.3. President. The President of the Corporation shall be elected as specified in Sections 6.1 and 6.2 and shall, when present, chair all meetings of the Board of Directors. He or she shall inform himself or herself concerning all affairs of the Corporation and see that the duties of the officers and employees of the Corporation are properly discharged; that the Bylaws of the Corporation are observed; and that all statements and returns required by law are made; and he or she shall assume such share in the management of the Corporation's business as the Directors may determine. The President shall appoint such committees as he or she deems necessary, subject to the approval of the Directors. The President shall perform all duties incident to the office of the President.

Section 6.4. Treasurer. The Treasurer of the Corporation shall be elected as specified in Sections 6.1 and 6.2. The Treasurer shall be responsible to oversee the proper care and custody of all corporate funds and securities. The Treasurer shall also oversee the full and accurate accounting of the finances of the Corporation. The Treasurer shall render to the President and the Board of Directors at its regular meetings or when the Directors shall require, an account of the financial condition of the Corporation. The Treasurer shall annually submit a budget for the next fiscal year and shall report on the past year's financial status. The Treasurer shall perform such other duties as are incident to the office

of Treasurer and such other duties as from time to time may be assigned by the Board of Directors.

Section 6.5 Secretary. The Secretary of the Corporation shall be elected as specified in Sections 6.1 and 6.2 and shall attend all meetings of the Board of Directors and record (or cause to be recorded) all its proceedings. He or she may give, or cause to be given, notice of all Directors' meetings and shall perform such other duties as may be prescribed by the Board of Directors or by the President. The Secretary may certify all votes, resolutions and actions of the Board of Directors. The Secretary shall keep a register of the contact information for each Director. The Secretary shall oversee the proper maintenance and security of all corporate records. The Secretary shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors.

Section 6.6. Vice President. The Vice President of the Corporation shall be elected as specified in Sections 6.1 and 6.2. The Vice President shall assume the duties and exercise the powers of the President in the case of the President's absence, incapacity, or death. The Vice President shall perform such other duties as are incident to the office of Vice President and such other duties as from time to time may be assigned by the Board of Directors.

Section 6.7. Members' Representative. The Members' Representative of the Corporation shall be elected as specified in Sections 6.1 and 6.2. The Members' Representative shall respond to members' inquiries and shall serve as a liaison between the Board of Directors and the members. The Members' Representative shall perform such other duties as are incident to the office of Members' Representative and such other duties as from time to time may be assigned by the Board of Directors.

Section 6.8. Return of Records. Upon expiration of the term of office or resignation from office, each officer of the Corporation shall turn over to the Board of Directors, without delay, and in any case within 30 days of leaving office, all records, books and other materials pertaining to the office or belonging to the Corporation.

ARTICLE VII COMMITTEES

Section 7.1. General Powers and Membership. The Board of Directors may, by resolution adopted by a majority of the whole Board of Directors, appoint an Executive Committee and such other committees as from time to time the Board of Directors may deem necessary or advisable. Members of committees other than an Executive Committee need not be Directors if the committee in question is not vested with a power or duty normally considered a primary duty of the Board of Directors. Unless otherwise expressly provided by law or by the Articles or by resolution of the Board of Directors, the Executive Committee shall have and may exercise all the powers of the Board of Directors (except the power to (i) amend or repeal these Bylaws (ii) amend the Articles of Incorporation,

(iii) adopt a plan of merger or consolidation, (iv) recommend to the members the sale or other disposition of all or substantially all of the property and assets of the Corporation other than in the usual course of its business, or (v) recommend to the members voluntary dissolution of the Corporation (or revocation of such dissolution)) when the latter is not in session, and each other committee shall have and may exercise, when the Board of Directors is not in session, such powers as the Board of Directors shall confer. All action by any committee shall be reported to the Board of Directors at its meeting next succeeding such action.

Section 7.2. Organization. The Board of Directors may appoint such committees as it deems appropriate from time to time. Unless otherwise provided by resolution of the Board of Directors, a chairman chosen by each committee shall preside at all meetings of such committee so far as applicable, and unless otherwise provided herein, the provisions of these Bylaws relating to the conduct of meetings of the Board of Directors shall govern meetings of the Executive Committee or other committees.

Section 7.3. Meetings. Each committee shall adopt its own rules governing the time and place of holding and the method of calling its meetings and the conduct of its proceedings.

Section 7.4. Committees' Quorum and Manner of Acting. At each meeting of a committee, a majority of the persons on such committee shall be present in person to constitute a quorum for the transaction of business thereat, and the affirmative vote of a majority of the members of such committee present in person at a meeting at which a quorum is present shall be the act of such committee.

Section 7.5. Removal. Any member of any committee may be removed from such committee, either with or without cause, at any time, by the Board of Directors.

Section 7.6. Vacancies. Any vacancy in any committee shall be filled by the Board of Directors in the manner prescribed herein for the original appointment of the members of such committee.

ARTICLE VIII LIABILITY

Section 8.1. Power to Purchase and Maintain Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who 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 any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such.

Section 8.2. Directors, Members and Agents. The individual property of the Directors, officers, employees or agents of the Corporation shall not be held liable for the debts of the Corporation.

ARTICLE IX
CONFLICTS OF INTEREST; INVESTMENTS

Section 9.1. Statement of Potential Conflicts. Prior to taking his or her position on the Board of Directors, and annually thereafter, each Director shall from time to time submit to the President a list of all businesses and other organizations of which he or she is an officer, director, member, owner, shareholder, employee or agent with which the Corporation has, or might be expected to have, a relationship or a transaction in which the Director might have a conflicting interest. Each written statement will be resubmitted with any necessary changes annually. The President and the Board of Directors shall become familiar with the statements of all Directors in order to guide the conduct of the Board of Directors should such a conflict arise.

Section 9.2. Conflict of Interest. A conflict of interest transaction is a transaction in which a Director has a direct or indirect financial interest. For the purposes of this Section, a Director has an indirect interest in a transaction if:

- (a) Another entity in which the Director has a material interest or in which the Director is a general partner is a party to the transaction; or
- (b) Another entity of which the Director is a Director, officer or trustee is a party to the transaction.

Section 9.3. Transaction not voidable or grounds for liability. A conflict of interest transaction is not voidable or grounds for imposing liability on a Director if the transaction was fair at the time it was entered into or is approved as provided in Section 9.4.

Section 9.4. Approval. A transaction in which a Director has a conflict of interest may be approved by the Directors or the members before or after consummation of the transaction as follows:

- (a) The Board of Directors or a committee may authorize, approve or ratify a transaction if the material facts of the transaction and the Director's interest are disclosed or known to the Board of Directors or committee.
- (b) The Voting Members may authorize, approve or ratify a transaction under this section if in accordance with subsection 9.4(d) the material facts of the transaction and the Director's interest is disclosed or known to the Voting Members.
- (c) For purposes of Section 9.4, a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the Directors of the

Corporation or of a committee who have no direct or indirect interest in the transaction, but a transaction may not be approved under this subsection by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under Section 9.4(a).

- (d) For purposes of Section 9.4(b), a conflict of interest transaction is approved by the members if it receives a majority of the votes entitled to be cast under this Section 9.4. Votes cast by or voted under the control of a Director who has a direct or indirect interest in the transaction and votes cast by or voted under the control of an entity described in Section 9.2(a) may not be counted in a vote of members to determine whether to approve a conflict of interest transaction under Section 9.4(b). The vote of members, however, is counted in determining whether the transaction is approved under other sections of these Bylaws. A majority of the voting power, whether or not present, that is entitled to be counted in a vote on the transaction under this Section 9.4(d) constitutes a quorum for the purpose of taking action under Section 9.4(a).

Section 9.5. Investments. The Corporation shall have the right to invest and reinvest any funds held by it, according to the judgment of the Board of Directors, provided that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction, or would result in the loss, or in any manner impair, the tax exempt status of the Corporation.

ARTICLE X STANDARDS FOR DIRECTORS AND OFFICERS

Section 10.1. General Standards for Directors.

- (a) Discharge duties. A Director shall discharge the Director's duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the Director reasonably believes to be in the best interests of the Corporation.
- (b) Rely on information. In discharging the Director's duties, a Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:
 - (i) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
 - (ii) Legal counsel or a public accountant or other person as to matters the Director reasonably believes are within the person's professional or expert competence; or

- (iii) A committee of which the Director is not a member, as to the matters within its jurisdiction, if the Director reasonably believes the committee merits confidence.

A Director is not acting in good faith if the Director relies on information, opinions, reports or statements that the Director knows or has reason to believe are unwarranted.

- (c) Performance; Compliance. A Director is not liable for the performance of the duties of the Director's office if the Director acted in compliance with this section and, if a conflict-of-interest transaction is involved, the transaction was fair to the Corporation or was approved pursuant to these Bylaws.
- (d) Trustee. A Director is not considered a trustee with respect to the Director's Corporation or with respect to any property held or administered by that Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 10.2. General Standards for Officers.

- (a) Discretionary authority. An officer with discretionary authority shall discharge that officer's duties under that authority in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the officer reasonably believes to be in the best interests of the Corporation and its members.
- (b) Rely on information. In discharging the officer's duties, an officer of a corporation is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:
 - (i) One or more officers or employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or
 - (ii) Legal counsel or a public accountant or other person as to matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not acting in good faith if the officer relies on information, opinions, reports or statements that the officer knows or has reason to believe are unwarranted.

- (c) Compliance. An officer is not liable to the Corporation, any member or other person for any action taken or not taken as an officer if the officer

acted in compliance with this Section and, if a conflict-of-interest transaction is involved, the transaction was fair to the Corporation or was approved pursuant to these Bylaws.

ARTICLE XI
BOOKS AND RECORDS

Section 11.1 Books and Records. The Corporation shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors and shall keep at its registered office or principal office in this State a record of the names and addresses of its Directors. All books and records may be inspected by any officer, Director, or Voting Member, or the officer's, Director's or Voting Member's agent or attorney, for any proper purpose at any reasonable time, as long as the officer, Director, or Voting Member, or the officer's, Director's or Voting Member's agent or attorney gives the Corporation written notice of at least five (5) business days before the date on which the officer, Director, or Voting Member, or the officer's, Director's or Voting Member's agent or attorney wishes to inspect and copy any books or records. The Board of Directors may require the officer, Director, or Voting Member, or the officer's, Director's or Voting Member's agent or attorney to pay the reasonable cost of the copies made and may impose reasonable restrictions on the use or distribution of the records by such person by requiring the execution and delivery of a non-disclosure or similarly named agreement in form and content reasonably satisfactory to the Corporation.

ARTICLE XII
AMENDMENTS TO BYLAWS

Section 12.1 Amendments. The Board of Directors and/or a majority of the Voting Members shall have the power to alter, amend or repeal these Bylaws, and to adopt new Bylaws, provided that such amendment does not violate or conflict with the Articles or the Act, and, unless notice shall be duly waived, the notice of any regular or special meeting at which such action is to be taken shall either set out the text of the proposed new Bylaw or amendment or Bylaw to be repealed, or shall summarize the changes to be effected by such adoption, amendment or repeal, and provided further that as to any amendment adopted by the Board of Directors the Voting Members may amend or repeal a Bylaw provision adopted by the Board of Directors and in such case the Board of Directors may not, for two years thereafter, amend or readopt the Bylaw provisions thus amended or repealed by the Voting Members.