

## **AMENDED AND RESTATED BYLAWS OF**

### **EAST LAKE VIEW NEIGHBORS an Illinois Not for Profit Corporation**

#### **ARTICLE I Name**

The name of this corporation is East Lake View Neighbors (the “Corporation”). The Corporation is an Illinois not-for-profit corporation.

#### **ARTICLE II Boundary**

The area of operation of the Corporation shall be that part of the city of Chicago, Illinois generally known as East Lake View. The boundary of the Corporation (the “**Boundary**”) is that area of Chicago, Illinois between the following points of reference:

North	W. Irving Park Road (Illinois Route 19)
South	W. Addison Street
East	Lake Michigan
West	N. Clark Street

#### **ARTICLE III Purpose and Status**

**Section 1. Purpose.** The Corporation is organized and operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, or the corresponding provision of any future United States Internal Revenue law (the “Code”). More specifically, the Corporation is organized:

(i) to provide an opportunity for those who live, work or are identified with the social or business interests of Lake View to work together for the common good of the Lake View community with particular emphasis within the Boundary;

(ii) to provide an opportunity to discuss community matters;

(iii) to inform and encourage residents, businesses, and property owners to become active members of the Corporation and the Lake View Citizens Council and to support their programs.

**Section 2. Tax-Exempt Status.** All of the assets and earnings of the Corporation shall be used exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code. The Corporation shall have and exercise all rights and powers conferred on not-for-profit corporations under the laws of the State of Illinois; provided, however, notwithstanding any other provisions herein, in the course of the Corporation's operations: (a) no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any individual, including the Directors or officers; provided, that the Corporation shall be empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein; (b) no substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in any political campaign (including the publication or distribution of statements) on behalf of or in opposition to any candidate for public office except as authorized under the Code; (c) notwithstanding any other provisions contained herein, the Corporation shall not carry on any other activities not permitted to be carried on: (i) by a corporation exempt from federal tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code, or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code. Members shall not engage in activities which are not in furtherance of one or more of the Corporation's tax-exempt purposes.

**Section 3. Corporate Dissolution.** In the event of the dissolution or liquidation of the Corporation, and after paying or providing for payment of all then outstanding or contingent corporate debts and liabilities, all remaining assets shall be distributed to such organization(s) organized and operated exclusively for charitable, educational or scientific purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction, in the county in which the principal office of the Corporation is then located; provided, however, that all assets shall be distributed to such organization or organizations exempt from federal income tax pursuant to Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code, as said court shall determine.

**Section 4. Nondiscrimination.** The Corporation shall not discriminate against any person or group of persons on the basis of race, ethnicity, culture, language, national origin, age, disability, gender, sexual orientation, gender expression, education, religion, faith, socioeconomic status or lived experience

## **ARTICLE IV**

### **Offices**

The Corporation shall maintain in the State of Illinois a registered office and a registered agent at such office and may have such other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

## **ARTICLE V**

### **Members**

**Section 1. Members.** Members accept the mission of the Corporation and will pay annual dues. Individual Members must be eighteen (18) years of age or older and must reside, own real estate and/or conduct business within the Boundary. Business, organizational or other entity Members must conduct business and/or have their principal place of address within the Boundary.

**Section 2. Reserved Powers.** The power and authority of the Members concerning the affairs of the Corporation shall consist of those reserved powers set forth in this Section 2 and elsewhere in these Bylaws.

(i) To elect Directors to, and remove Directors from, the Board of Directors of the Corporation.

(ii) Amendments to the Articles of Incorporation, Bylaws and similar governing documents of the Corporation.

## **ARTICLE VI**

### **Meetings of the Members**

**Section 1. Annual Meeting and Notice Requirements.** An annual meeting of the Members shall be held each year at a date, time and place as determined by the President or the Board of Directors for the purpose of electing Directors and officers and for the transaction of such other business as may come before the annual meeting. Notice of annual meetings shall be provided to the Members at least seven (7) days and no more than sixty (60) days before the date of such annual meeting.

**Section 2. Regular Meetings and Notice Requirements.** The Members shall hold regular meetings at such place and time as shall be approved by the President or the Board of

Directors. Notice of regular meetings shall be provided to the Members at least seven (7) days and no more than sixty (60) days before the date of such regular meeting.

**Section 3. Special Meetings.** Special meetings of the Members may be called by the Members at such times as determined by the President, the Board of Directors or a majority of the Members and at such time, date and place of their choice. Written or oral notice of special meetings shall be provided to the Members at least seven (7) days and no more than sixty (60) days before the date of such special meeting.

**Section 4. Waiver of Notice.** Whenever any notice whatever is required to be given under the provisions of these Bylaws, 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.

**Section 5. Fixing Record Date for Voting.** For the purpose of determining Members entitled to notice of or to vote at any meeting of 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 not more than sixty (60) days and, for a meeting of Members, not less than seven (7) days, or in the case of a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) days, immediately preceding such 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.

**Section 6. Quorum.** A majority of the Members shall constitute a quorum at all meetings of the Members.

**Section 7. Informal action by Members entitled to vote.** Any action to be taken at any annual or special meeting of the Members may be taken by ballot without a meeting in writing by mail, e-mail, or any other electronic means pursuant to which the Members are given the opportunity to vote for or against the proposed action, and the action receives approval by a majority of the Members casting votes, or such larger number as may be required by the these Bylaws, provided that the number of Members casting votes would constitute a quorum if such action had been taken at a meeting. Voting must remain open for not less than five (5) days from the date the ballot is delivered; provided, however, in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, the voting must remain open for not less than twenty (20) days from the date the ballot is delivered. Such informal action by Members shall become effective only if, at least five (5) days prior to the effective date of such informal action, a notice in writing of the proposed action is delivered to all of the Members with respect to the subject matter thereof

In addition, any action taken at any meeting of the Members, may also be taken without a meeting and without a vote if a consent in writing, setting forth the action so taken, shall be approved by all the Members entitled to vote with respect to the subject matter thereof.

**Section 8. Proxies.** A Member entitled to vote may vote in person or, by proxy executed in writing by the Member or by that Member's duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

**Section 9. Voting.** When a quorum is present at any meeting, the vote of a majority of the Members present and voting shall decide any question brought before such meeting, unless the question is one upon which, by express provision of any law, the Articles of Incorporation or these Bylaws, a different vote is required. Article XVI must be followed to approve any action of the Corporation to amend, repeal, alter or adopt new Articles of Incorporation or amend the Bylaws of the Corporation.

**Section 10. Nonliability of Members.** The Members shall not be personally liable for any debt or obligation of the Corporation.

## **ARTICLE VII**

### **Board of Directors**

**Section 1. General Powers.** Subject to the General Not For Profit Corporation Act of 1986 of the State of Illinois and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the Members, the affairs of the Corporation shall be managed, and all corporate powers shall be exercised by, or under the direction, of its board of directors (the "Board of Directors" or "Board").

**Section 2. Number and Qualifications.** The number of directors ("Directors"), exclusive of any Directors serving in an ex-officio capacity, shall be set by the Members from time to time but shall never be less than nine (9) and shall never be greater than thirteen (13). The exact number of Directors shall be determined from time to time by the Members. Each Director must be a Member in good standing of the Corporation.

Members of the Board of Directors must attend or call in for every Board of Directors meeting or be excused by the President in advance of a meeting.

**Section 3. Election and Tenure.** The Directors shall be divided into three classes with each class having as equal a number of Members as reasonably possible and with the term of each class as of the effective date of adoption of these Bylaws expiring at the first, second and third annual meetings of the Corporation that occur at least six months after the effective date of these Bylaws. At each annual meeting of the Corporation, successors to the class of Directors whose term expires at that annual Corporation meeting shall be elected for a three-year term. If the number of Directors is changed, any increase or decrease shall be apportioned among the

classes by the Members so as to maintain the number of Directors in each class as nearly equal as is reasonably possible, and any additional Director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class. In no case will a decrease in the number of Directors shorten the term of any incumbent Director, even though such decrease may result in an inequality of the classes until the expiration of such term. A Director shall hold office until the annual meeting of the Members in the year in which his or her term expires and until his or her successor shall be elected and qualified, subject, however, to prior death, resignation, retirement or removal from office.

Directors may succeed themselves and serve a maximum of two (2) consecutive three-year terms on the Board. A term of less than three years, such as the term of certain Directors in office at the effective date of adoption of these Bylaws or a term of office resulting from a vacancy or a change in the number of Directors, does not count as a three-year term subject to the foregoing limit. Directors in office on the effective date of the adoption of these Bylaws shall be deemed to be serving their first term on the Board of Directors, for a period beginning on the effective date of adoption of these Bylaws, regardless of the number of prior years of service on the Board of Directors. After completion of two (2) consecutive three-year terms on the Board, a Director may not hold a position on the Board for a period of at least one (1) year before he or she is eligible for re-election to the Board. After such one-year break in service, a Director may then serve up to an additional three (3) three-year terms on the Board.

**Section 4. Nomination of Directors.** The President shall appoint a Nominating Committee consisting of three (3) individuals, each of whom shall currently be a Director. Nominations for Directors shall be submitted by Members not less than sixty (60) days prior to the Annual Meeting. The Nominating Committee shall select nominees for Director, including a President, Vice-President, Secretary and Treasurer, each of whom shall be a Members of, or a nominee for, the Board of Directors. The Nominating Committee shall submit a slate of nominees to the Secretary and the Members: (a) at least thirty (30) days before the annual meeting of the Members, and (b) within a reasonable amount of time after the number of Directors is increased. The Members shall consider nominees selected by the Nominating Committee prior to considering other persons for election to the Board.

**Section 5. Quorum.** A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

**Section 6. Manner of Acting.** The act of a majority of the Directors present at a meeting of the Board 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, by the Articles of Incorporation of the Corporation or by these Bylaws.

**Section 7. Vacancies.** Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by an appointment of the Executive Committee of the Board of Directors. A Director appointed to fill a vacancy not resulting from an increase in the number of Directors shall hold office until the next Annual Meeting, will be put to a vote of the Members at the next Annual Meeting and, if elected, at such Annual Meeting, shall hold the unexpired term of such person's predecessor in office.

**Section 8. Resignation.** Any Director may resign from office by giving written notice to the President or Secretary of the Corporation. If the resigning Director is also the President or Secretary of the Corporation, written notice shall be given to the remaining officer that is not the resigning Director.

**Section 9. Removal.** The President and any Director may be removed with or without cause by the Members and the Members may then elect a new President or Director to fill such vacancy.

Any Director who shall have been absent from two (2) consecutive regular meetings of the Board of Directors without just cause as determined by the Board of Directors shall be removed from the Board and the vacancy shall be filled as provided by these Bylaws; however, the Board shall consider each absence by a Director as a separate circumstance and may expressly waive such absence by two-thirds (2/3) vote of the Directors present at that meeting. Directors who are unwilling or unable to fulfill the duties required of them will be subject to dismissal by two-thirds (2/3) vote of the Directors present at a meeting of the Board of Directors.

Failure of a Director to sign the annual Conflict of Interest Statement described in these Bylaws in Article XII within thirty (30) days of receipt thereof will result in automatic dismissal from the Board of Directors.

**Section 10. Compensation.** Directors shall receive no compensation for services rendered as Directors but may be reimbursed for all reasonable expenses incurred, if any, while acting in such capacity. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

**Section 11. Action Without Meeting.** Any action required to be taken at a meeting of the Board, or any other action that may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof

**Section 12. Attendance by Electronic Means.** The Corporation may allow Directors to participate in and act at any 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, and such participation in a meeting shall constitute presence in person at the meeting. Directors seeking permission to participate in a meeting by conference telephone or other communications equipment shall notify the President and Executive Director, if any, of the request and state the reason the Director is not able to physically attend the meeting.

## **ARTICLE VIII**

### **Meetings**

**Section 1. Annual Meeting.** A regular annual meeting of the Board of Directors shall be held during the month of January, at such time and place as may be fixed by the President, or if the President is for any reason unable to act, by the Vice-President.

**Section 2. Regular Meetings.** The Board of Directors may hold additional regular meetings of the Board at such time and place as shall be set by the President, provided that notice of regular meetings complies with the notice provisions set forth in Section 4 of this Article. The Board of Directors shall hold no fewer than three regular meetings annually.

**Section 3. Special Meetings.** Special meetings of the Board of Directors may be called by the President and shall be called by the President at the request of any one-third (1/3) of the Directors. The President may fix any time and place for holding any special meeting of the Board of Directors.

**Section 4. Notice.** Notice of the regular meetings of the Board shall be given at least two (2) weeks prior thereto. Notice of special meetings of the Board shall be given at least two (2) weeks hours prior thereto, or, if the removal of one or more Directors will be discussed, at least five (5) days prior thereto, in any case by written, oral, facsimile or electronic transmission (e-mail) notice to each Director at the address shown for such Director on the records of the Corporation. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. 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. Additionally, notice of any 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. 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 Bylaws.



## **ARTICLE IX Committees**

**Section 1. Creation of Committees.** The President, with the approval of the Executive Committee, may designate one (1) or more committees, each of which shall include two (2) or more Directors and any such other persons as the President, with the approval of the Executive Committee, shall appoint. The President, with the approval of the Executive Committee, shall create such standing, special or ad hoc committees as it sees fit. Such resolution to create a Board committee shall set forth the purpose, authority, membership, functions and reporting requirements of the committee.

A committee may not:

(i) Adopt a plan for the distribution of the assets of the Corporation, or for dissolution;

(ii) Approve or recommend to Members any act the General Not For Profit Corporation Act of 1986 of the State of Illinois requires to be approved by Members, except that committees appointed by the board or otherwise authorized by the Bylaws relating to the election, nomination, qualification, or credentials of Directors or other committees involved in the process of electing Directors may make recommendations to the Members relating to electing Directors;

(iii) Fill vacancies on the Board or on any of its committees;

(iv) Elect, appoint or remove any officer or Director or member of any committee, or fix the compensation of any member of a committee;

(v) Adopt, amend, or repeal the Bylaws or the Articles of Incorporation;

(vi) Adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Corporation; or

(vii) Amend, alter, repeal or take 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 2. Executive Committee.** The Executive Committee shall consist of the Officers plus two additional Directors to be selected by vote of the Board of Directors. The Executive committee shall exercise all the powers of the Board of Directors between meetings of the Board. All proceedings of the Executive Committee shall be presented to the Board at its next meeting for inclusion in the official minutes of the Board.

**Section 3. Bylaws Committee.** The Bylaws Committee shall be created pursuant to the procedures set forth in Section 1 above of this Article for receipt and review of all proposed amendments of the Bylaws.

**Section 4. Manner of Acting.** Each committee, to the extent provided in the resolution creating such committee and except as limited by law, the Articles of Incorporation or these Bylaws, shall 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 a responsibility imposed upon it or him or her by law. Unless otherwise provided in the resolution creating a committee, such committee may select its chair, fix the time and place of its meetings, specify what notice of meetings, if any, shall be given, and fix its rules of procedure that shall not be inconsistent with these Bylaws or with rules adopted by the Board of Directors. The act of a majority of committee Members present at a meeting at which a quorum is present shall be the act of the committee.

**Section 5. Term of Office.** Each Members of a committee shall continue as such until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such Members be removed from such committee, or unless such Members shall cease to qualify as a Members thereof.

**Section 6. Vacancies.** Vacancies in the Membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**Section 7. Quorum.** Unless otherwise provided by the Board of Directors, a majority of all Members of a committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

**Section 8. Action Without Meeting.** Any action which may be taken at a meeting of a committee may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Members of the committee entitled to vote with respect to the subject matter thereof.

**Section 9. Attendance by Electronic Means.** Members of a committee may participate in and act at any 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, and such participation in a meeting shall constitute presence in person at the meeting.

## **ARTICLE X**

### **Advisory Committees**

**Section 1. Creation of Committees.** The Board of Directors may designate one or more advisory committees, which may or may not have Directors as Members.

**Section 2. Powers.** An advisory committee may not act on behalf of the Corporation or bind it to any action but only may make recommendations to the Board of Directors or the officers of the Corporation.

## **ARTICLE XI**

### **Officers and Executive Director**

**Section 1. Enumeration.** The officers of the Corporation shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be a Members of the Board. The Board of Directors may also appoint one or more assistant secretaries or assistant treasurers and such other officers as it shall deem appropriate. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**Section 2. Term of Office.** The officers of the Corporation, with the exception of the President, shall be elected at the annual meeting of the Board of Directors and shall hold office until their successors are elected and qualified or until their earlier death, resignation or removal. Vacancies in Board appointed officer positions may be filled or new offices created and filled at any meeting of the Board of Directors. Any officer elected by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby. Such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**Section 3. President.** The President of the Board shall preside at all meetings of the Board and have the necessary authority for the general supervision, direction and control of the business and affairs of the Corporation and shall perform all duties incident to the office of President and such other duties as may be assigned to him or her by the Board of Directors. 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, the President may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he or she 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 officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. The President may vote all securities that 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. The President shall serve as an ex-officio member of all committees except the nominating committee, if any.

**Section 4. Vice-President.** In the absence of the President or in the event of the President's inability to act, the Vice-President shall perform the duties of the President and when so acting, shall have all 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 Bylaws. In addition, in the event that the President resigns, is removed from office, becomes incapacitated or is unable to fulfill his/her duties that authority will fall to the Vice-President who shall become the Acting President. Upon assuming the role, the Acting President shall call a Special Meeting of the Executive Committee. The Executive Committee will determine if the Acting President should remain in the role as Acting President, in a situation where the Board President's incapacity is temporary, or if the position of Board President should be filled for the remainder of the term. The Vice-President may sign all instruments in the name of the Corporation provided that the Board of Directors has authorized such instruments to be executed. The Vice-President shall assist the President in the discharge of duties as the President may direct and shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

**Section 5. Secretary.** The Secretary shall keep a record of all proceedings of the Board of Directors; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation, if any; and perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Secretary will submit meeting minutes within fourteen (14) days of each meeting for distribution, Board approval and to be filed as a permanent record. With the approval of the Board of Directors, the Secretary may delegate specified duties to an assistant secretary or other person for the effective conduct of the affairs of the Corporation.

**Section 6. Treasurer.** The Treasurer shall have charge of and be responsible for the maintenance of adequate books of account for the Corporation; have charge and custody of all funds and securities of the Corporation, and be responsible for the receipt and disbursement thereof; and perform all duties incident to the office of a Treasurer and such other duties as may be assigned to him or her by the President or the Board of Directors. The Treasurer will produce a monthly financial statement of income and expenses for the Board. The Treasurer shall present the books for audit and at such times as required by the State of Illinois. With the approval of the Board of Directors, the Treasurer may delegate specified duties to an assistant treasurer or other person for the effective conduct of the affairs of the Corporation.

**Section 7. Executive Director.** An Executive Director may be employed by the Board of Directors and shall have general direction of and supervision over the day-to-day affairs of the Corporation. The Executive Director shall provide organizational leadership and exercise such authority and perform such duties as the President, on behalf of the Board of Directors, may assign.

## ARTICLE XII

### Conflicts or Duality of Interest

**Section 1. Purpose.** The purpose of this conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or committee Members of the Corporation.

**Section 2. Definitions.**

(i) Interested Person. Any director, principal officer, or Members of a committee of the Corporation who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to the Members, he or she is an interested person with respect to the Corporation.

(ii) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

(a) an ownership or investment interest in any entity with which the Corporation or Members has a transaction or arrangement, or

(b) a compensation arrangement with any entity in the Corporation or Members or with any entity or individual with which any entity in the Corporation or Members has a transaction or arrangement, or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which any entity in the Corporation or Members is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration, as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

**Section 3. Procedures.**

(i) Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial interest to the Members of the Board of Directors, or to the Members of a committee with powers delegated by the Board, which is considering the proposed transaction or arrangement.

(ii) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the Board or committee meeting while the determination of a

conflict of interest is discussed and voted upon. The remaining Directors or committee Members shall decide if a conflict of interest exists.

(iii) Procedures for Addressing the Conflict of Interest.

(a) The President of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(b) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(c) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested Directors (even though the disinterested Directors be less than quorum) or committee Members whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and to the Members and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

(d) An interested person may make a presentation at the Board or committee meeting, but after such a presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

(iv) Violations of the Conflicts of Interest Policy.

(a) If the Board or committee has reasonable cause to believe that a person has failed to disclose actual or possible conflicts of interest with respect to the Corporation or the Members, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 4. Records of Proceedings.** The minutes of the Board of Directors and all committees with Board-delegated powers shall contain:

(i) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was

present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.

(ii) 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 therewith.

**Section 5. Committees: Membership and Voting Rights.** A voting Member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that person's compensation.

**Section 6. Annual Statements.** Each Director, officer and Member of a committee with powers delegated by the Board shall annually sign a statement which affirms that such person:

- (i) has received a copy of the Conflicts of Interest Policy,
- (ii) has read and understands the Policy,
- (iii) has agreed to comply with the Policy, and

(iv) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Section 7. Periodic Reviews.** To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (i) Whether compensation arrangements and benefits are reasonable and are the result of arm's length bargaining.
- (ii) Whether the Corporation's existing transactions and arrangements (if any) with service providers result in inurement or impermissible private benefit,
- (iii) Whether the Corporation's partnership and joint venture arrangements and arrangements with management service organizations (if any) conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purposes and do not result in inurement or impermissible private benefit.

(iv) Whether agreements to provide health care and agreements with other health care providers, employees, and third party payors (if any) further the Corporation's charitable purposes and do not result in inurement or impermissible private benefit.

**Section 8. Use of Outside Experts.** In conducting the periodic reviews provided for in Section 7, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

**Section 9. Conflicts of Interest Statement.** Each interested Members of the Board and any interested officer of the Corporation shall be required to sign the Corporation's Conflicts of Interest Statement, which shall be updated annually, as appropriate.

### **ARTICLE XIII**

#### **Contracts, Checks, 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 Bylaws, to enter into any contract or execute and 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 shall from time to time be determined by the Board of Directors. In the absence of such determination by the Board of Directors, such instruments may be co-signed by the President and any other person that is an officer of the Corporation.

**Section 3. Deposits; Investments.** 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 may select.

**Section 4. Loans.** No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and, to the extent required by these Bylaws, approved by the Members. Such authority may be general or confined to specific instances.

**Section 5. Gifts and Gift Programs.** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise of any kind or nature for the general purposes or for any special purpose of the Corporation.



**ARTICLE XIV**  
**Books and Records**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors.

**ARTICLE XV**  
**Fiscal Year**

The fiscal year of the Corporation shall be the twelve-month period ending on the 31st day of December of each year.

**ARTICLE XVI**  
**Amendments to Articles of Incorporation or Bylaws**

Revision or amendments to the Bylaws may be proposed by any Member or any Director. Any such proposed revision or amendments shall be submitted in writing to the Bylaws Committee not less than ninety (90) days prior to the date of the next annual meeting. Each member shall receive in writing all proposed revisions or amendments to the Bylaws not less than thirty (30) days prior to the next annual meeting of the Members. Proposed revisions or amendments shall be presented by the Board of Directors to the Membership at such next annual meeting. A two-thirds (2/3) majority of the Members voting shall be required to revise or amend the Bylaws, provided a quorum is present. No provisions of the Bylaws to be amended or replaced shall be inconsistent with the organization's status as a nonprofit corporation under the laws of the State of Illinois or inconsistent with the organizations' tax-exempt status under the IRS Code.