

Bylaws of Souldarity
A Michigan Nonprofit Corporation

ARTICLE I
NAME & OFFICES

Section 1.1. Name. The name of the organization shall be Souldarity (hereinafter the “Organization” or “Corporation”).

Section 1.2. Offices. The Corporation shall maintain a registered office and a registered agent in the State of Michigan. The Corporation may have other offices within and without the State as are deemed necessary to the proper functioning of the organization.

ARTICLE II
PURPOSE

Section 2.1. Organizational Purpose. Souldarity works to build energy democracy in Highland Park, MI and its neighboring communities through community-based education, community organizing, and community-driven development of clean energy infrastructure (hereinafter the “Organizational Purpose”).

Section 2.2. Charitable Purpose. No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in this clause. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 2.3. Dissolution. Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

ARTICLE III
MEMBERSHIP

Section 3.1. Membership. The Corporation shall be a membership organization. The Corporation shall have two classes of members (hereinafter the classes shall be referred to as “Tiers”).

a. Highland Park Members. Individuals whose primary legal residence is located within the city of Highland Park and whose membership dues are paid in full.

b. Non-Highland Park Members. Individuals who do not qualify as a Highland Park Member as defined in subsection (a) and whose membership dues are paid in full.

The Board of Directors shall establish procedures for membership.

Section 3.2. Rights and Responsibilities of Members. The Members will elect the Board of Directors of the Organization, be eligible to serve on the Board of Directors in accordance with Section 4.3, be entitled to one vote on each matter submitted to a vote at the meeting of the members in accordance with Section 3.7, and be required to pay dues in accordance with Section 3.3.

Section 3.3. Dues. Membership dues shall be fixed by resolution of the Board of Directors.

Section 3.4. Meetings.

- a. Annual Meeting. The Annual Meeting of Members shall be held in April of each year or such other time as the Directors may establish. At the Annual Meeting, Members shall consider the general policy or program of the Corporation.
- b. Special Meetings. Special meetings of members may be called by the Board of Directors or by 10% of all members entitled to vote. Members may deliver a petition signed by 10% of members to the Secretary who shall call the special meeting. The Board will determine a policy and means of providing Members with access to communication with the entire Membership for the purpose of obtaining signatures for such a petition.

Section 3.5. Notice. Written notice of the time, place and purpose of each meeting shall be given to each Member of the Corporation entitled to vote at the meeting no less than ten (10) and not more than sixty (60) days prior to the meeting. Acceptable forms of notice are regular mail, facsimile transmission, electronic mail or hand delivery. The notice shall be delivered to the address, facsimile or electronic address on file with the Secretary of the Corporation for such notices. It is the responsibility of each Member to keep the Secretary of the Corporation informed of his or her current address and email address.

Section 3.6. Place and Time of Meetings. Each meeting shall be held at the place and time designated in the notice.

Section 3.7. Voting.

- a. Eligibility. Only Members are eligible to vote on each matter submitted to a vote at any meeting of the Members. All Members are entitled to one vote on each matter submitted to a vote at any meeting of the members.
- b. Quorum. The lesser of fifteen percent (15%) of the Members eligible to vote or 25 total Members shall constitute a quorum for the purpose of electing directors and transacting the regular business of the membership. All actions to be taken by the Members require a majority vote of the Members present at a meeting at which a quorum exists, except as otherwise provided in these bylaws.
- c. Proxies and Absentee Voting. No voting by proxy shall be allowed at meetings of Members. Members shall have the right to vote absentee on each matter submitted to a vote at any meeting of the Members. The Board of Directors shall define the process by which absentee voting is to occur on all matters except the election of the Board of Directors at the Annual Meeting. The Board of Directors shall appoint an election committee at least four (4) months prior to the election, such committee being responsible for defining the process by which absentee balloting for Directors is to occur.
- d. Cumulative Voting. There shall not be cumulative voting by members for the Board of Directors.

Section 3.8. Establishment of Committees. The Board of Directors may establish membership committees necessary to advise the Board of Directors. The Chair of all member committees shall report to the Board of Directors.

Section 3.9. Resignation. A Member may resign by written notice to the Secretary of the Board of Directors, and the resignation is effective upon its receipt.

Section 3.10. Removal. The Board of Directors can remove a Member from the Membership of the Corporation for actions detrimental to the Corporation or for failure to pay membership dues within 30 days of their due date. A decision by the Board to remove a Member can be appealed by that Member if, within 12 months of learning of the Board's removal decision, it is discovered that the Board failed to satisfy any requirements with regard to its decision-making process in removing that Member. Upon appeal, the Board must, at its next regularly scheduled meeting, or sooner by means of a Special Meeting, decide to either affirm its previous decision or reinstate such Member, such decision being final.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Purpose. The business, property, staff, program and affairs of the Corporation shall be managed by the Board of Directors.

Section 4.2. Number. The Board of Directors shall consist of (9) members beginning in 2016. Beginning with the 2016 election, the Board shall consist of at least five (5) members who qualify for Highland Park Member status as defined in Section 3.1(a).

Section 4.3. Eligibility. To be eligible to be elected to the Board of Directors, a candidate must be a Member in good standing and must consent in writing to accept the responsibility of directorship.

Section 4.4 Term of Office and Term Limits. At the first Annual Meeting to be held in 2016, the Members shall elect three (3) Directors to three (3)-year terms, three (3) Directors to two (2)-year terms, and three (3) Directors to one (1)-year terms. At each subsequent Annual Meeting, three Directors shall be elected for three-year terms to fill the seats of the Directors whose terms end that year, in addition to any election to fill a vacancy in accordance with Section 4.11. A Director may not serve more than two consecutive terms, lasting no longer than six (6) consecutive years. A Director who reaches this limit may be elected again after three (3) years from the end of his or her last term, subject to a renewed limit of two consecutive terms.

Section 4.5 Votes. Each Member has the right to cast a vote for each vacant seat on the Board submitted to the membership for election, regardless of whether the Member or the nominee for the seat qualifies as a Highland Park Member.

Section 4.6 Meetings of Board of Directors. The Board Members of the Corporation shall meet once every two months. The Board may provide by resolution, without other notice than such resolution, the time and place for holding regular meetings of the Board.

Section 4.7 Special Meetings. A special meeting of the Board may be called by any two Directors with notice to all Board members, including the time, location, and agenda for the meeting, which cannot be amended. Notice of each special meeting shall be given to each member of the Board of Directors no less than twenty-four (24) and no more than thirty (30) days prior to the meeting. Acceptable forms of notice are regular mail, facsimile transmission, electronic mail or hand delivery. The notice shall be delivered to the address, facsimile or electronic address on file with the Secretary of the Corporation for such notices. The notice requirement with regard to a Special Meeting may be waived by a Director only as it relates to that Director. The attendance of any Director at a Special Meeting shall constitute a waiver of notice of such meeting, except where a Director participates in a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.

Section 4.8. Compensation. Directors will not receive any stated salaries for their service as directors. This does not preclude any director from serving the Corporation in any other capacity and receiving reasonable compensation therefore.

Section 4.9. Resignation. In order to resign, a Director must submit written notice to the Secretary of the Board of Directors, and the resignation is effective upon its receipt. The Board shall notify the Members of any resignation from the Board of Directors.

Section 4.10. Removal. A Director may be removed by a vote of the Board of Directors, or of the Membership, for actions detrimental to the Corporation, failure to pay membership dues within 30 days of their due date, or if the Director was elected as a Highland Park Member, as defined in Section 3.1(a), and subsequently loses eligibility for that status. A decision to remove a Director can be appealed by that Director if, within 12 months of learning of the removal decision, it is discovered that the Board or Membership, whichever body voted for removal, failed to satisfy any requirements with regard to its decision-making process in removing that Director. Upon appeal, the Board must, at its next regularly scheduled meeting, or sooner by means of a Special Meeting, decide to either affirm its previous decision or reinstate such Member, such decision being final. The Board of Directors shall notify the Membership of any Directors removed by the Board of Directors.

Section 4.11. Vacancies. Vacancies on the Board of Directors occurring by reason of resignation, removal, or otherwise shall be filled by appointment by the Board of Directors at its next meeting following 30 days' notice of the vacancy to the Membership. A member so appointed shall come from the membership tier of the Director he or she replaces and shall remain in office until the next election. At that election, the Director elected to fill the vacancy shall serve only until the end of the term of the Director whose resignation or removal created the vacancy.

Section 4.12. Quorum; Voting. A majority of board members constitutes a quorum for transaction of business at any meeting of the board. The vote of a majority of the board members present at a meeting at which a quorum is present constitutes the action of the Board of Directors, unless a resolution of the Board of Directors requires the vote of a larger number.

Section 4.13. Proxies. There shall be no proxies at meetings of the Board of Directors.

Section 4.14. Remote Participation. A member of the board may participate in a meeting by means of conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation in a meeting in this manner constitutes presence in person at the meeting.

Section 4.15. Action without a Meeting. Any action may be taken by the Board without a meeting if consent in writing or by electronic transmission, setting forth the action taken, is signed by all the board members. The consent shall set out the action taken and the signatures of all board members and shall be delivered to the Secretary.

Section 4.16. Actions Requiring Membership Referendum. If the Board decides to:

- a. sell streetlights or other long-term assets;

- b. take action resulting in the loss of recognition of tax-exempt status under section 501(c)(3) of the Internal Revenue Code;
- c. dissolve the Corporation;
- d. change the Corporation's purpose, as described in Article II; or
- e. amend the bylaws relating to Membership structure or powers;

such action must be approved by the vote of at least 60% of the Highland Park Members and at least 60% of the total Membership. Before a vote on such action can be held, the Board must call a Special Meeting of the Membership at which the proposed action can be deliberated. The Board must provide no less than thirty (30) days, and no more than sixty (60) days, notice to the membership of such meeting, and at least sixty (60) days' notice of such vote. The Board must provide the Members a means of voting absentee as provided in Section 3.7.c.

ARTICLE V OFFICERS

Section 5.1. Officers. The Board of Directors will appoint from among the Directors a President, a Secretary, and a Treasurer. The Board of Directors may, in its own discretion, appoint from among the Directors a Vice President. Except for the first year of the Organization, no Director who has been a member of the Board for less than one (1) year may be appointed to any of the offices described in this Article V.

Section 5.2 President. The President shall preside at all meetings of the Board of Directors and the Members. The President shall exercise general and active management of the business of the Corporation, shall report to and advise the Board of Directors on all significant matters of the Corporation's business, and shall see to it that all orders and resolutions of the Board of Directors are carried into effect. The President shall have such other powers and duties not inconsistent with these bylaws as may be assigned to him/her from time to time by the Board of Directors.

Section 5.3. Vice President. The Board of Directors may, in its own discretion, appoint from among the Directors a Vice President. In the absence of the President, or due to his or her inability to act from any cause, the Vice President shall perform the duties of that office. Like the President, the Vice President would play a major role in resource development and in representing the Organization within and outside the community.

Section 5.4. Secretary. The Secretary shall be responsible for keeping an accurate record of all meetings of the Corporation, see that all notices are duly given in accordance with these bylaws or as required by law, maintain the official records of the organization and will perform any other duties prescribed by the Board of Directors. If no Vice President has been appointed, in the absence of the President or due to his or her inability to act from any cause, the Secretary shall perform the duties of the President, and the Board shall appoint a new Secretary.

Section 5.5 Treasurer. The Treasurer shall be responsible for financial management including keeping all appropriate fiscal records and ensuring that all funds are recorded, spent, and monitored consistent with funder requirements, legal requirements, and sound financial management.

Section 5.6. Term of Office. The Officers of the Corporation shall serve for one year. Officers may serve any number of consecutive terms.

Section 5.7. Resignation. Any officer may resign at any time. In order to resign, the officer must submit written notice to the Secretary of the Board of Directors, and the resignation is effective upon its receipt. The Board of Directors shall notify members of any resignation of an officer.

Section 5.8. 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. The matter of removal may be acted upon at any meeting of the Board, provided that notice of intention to consider said removal has been given to each Board member and to the officer affected with the notice of the meeting. Removal from office does not necessarily constitute removal from the Board. The Board of Directors shall notify members of any officer removed by the Board of Directors.

Section 5.9. Vacancies. Vacancies may be filled at any meeting of the Board of Directors. Board members must be required to notify the Membership of vacancies.

ARTICLE VI COMMITTEES

Section 6.1. Committees of the Board. The Board of Directors may designate standing and other committees with such duties and powers as it may provide in order to carry out the programs and purposes of the Corporation, and the Board shall further designate the individuals from their number to serve as Chairpersons and members of such committees. All committees will report to the Board of Directors. The Board may name members or non-members of the organization to serve on committees.

Section 6.2. Advisory Committees. The Board of Directors may designate one or more committees, standing or ad hoc, to make recommendations and give advice to the Board of Directors on such subjects as the Board of Directors shall specify.

Section 6.3. Term. Persons designated members of any of the foregoing committees shall serve until the first meeting of the Board of Directors after the Annual Meeting of the Corporation and until their successors are duly designated and take office. Each committee designated pursuant to this Article, and each member thereof, shall serve at the pleasure of the Board of Directors.

Section 6.4. Procedure. Each committee shall establish a schedule for its meetings appropriate to its purpose and function and shall keep minutes of its meetings and report its activities to the Board of Directors.

Section 6.5. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of the majority of the members present at a meeting at which quorum is present shall be the act of the committee.

Section 6.6. Remote Participation. A member of a committee may participate in a meeting by means of conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation in a meeting in this manner constitutes presence in person at the meeting.

Section 6.7. Executive Committee. The Executive Committee shall be a permanent standing committee. It will be chaired by the President and will consist of all officers. The committee will serve as the central planning group for the organization and as an advisory group to the Board of Directors. The Executive Committee will present an annual budget to the board for approval. The Executive Committee will meet from time to time, as the President or a majority of its members deem appropriate.

ARTICLE VII

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, & AGENTS

Section 7.1. Volunteer Liability to Third Parties. The Corporation shall assume the liability for all acts or omissions of a volunteer occurring on or after the effective date of these amended Articles, provided that: (a) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (b) The volunteer was acting in good faith; (c) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct; (d) The volunteer's conduct was not an intentional tort; and (e) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

Section 7.2. Director and Volunteer Officer Liability to the Corporation. No member of the Board of Directors of the Corporation or volunteer officer shall be personally liable to this Corporation or its members for monetary damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for (a) the amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled; (b) intentional infliction of harm to the corporation or its members; (c) a violation of Section 551 of the Michigan Nonprofit Corporation Act (hereinafter the "Act"); (d) an intentional criminal act; or (e) imposed under Section 497(a) of the Act. This provision is intended to provide the maximum indemnification of directors and officers allowable under the Act, as amended.

Section 7.3. Volunteer Director and Volunteer Officer Liability to Third Parties. The Corporation assumes all liability to any person other than the Corporation or its members, for all acts or omissions of a Director who is a volunteer director, as defined in the Act, or a volunteer officer incurred in the good faith performance of the Director's or Officer's duties. However, the Corporation shall not be considered to have assumed any liability to the extent that such assumption is inconsistent with the status of the Corporation as an organization described in section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code.

Section 7.4. Amendments to Michigan Law. If the Act is amended after the filing of the Corporation's amended articles of incorporation to authorize the further elimination or limitation of the liability of directors or officers of nonprofit corporations, the liability of members of the Board of Directors or Officers, in addition to that described in Sections 7.1, 7.2, and 7.3, shall be assumed by the Corporation or eliminated or limited to the fullest extent permitted by the Act as so amended. Such an elimination, limitation, or assumption of liability is not effective to the extent that it is inconsistent with the status of the Corporation as an organization described in section 501(c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code. No amendment or repeal of the Articles of Incorporation shall apply to or have any effect on the liability or alleged liability of any member of the Board of Directors or Officer of this Corporation for or with respect to any acts or omissions occurring before the effective date of any such amendment or repeal.

Section 7.5. Derivative Actions. Subject to all of the provisions of this article, the Corporation shall indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor because (a) the person was or is a Director or Officer of the Corporation or (b) the person was or is serving at the request of the Corporation as a Director, Officer, employee, or independent contractor, whether or not for profit. The person shall be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the Corporation unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses that the court considers proper.

Section 7.6. Expenses of Successful Defense. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 7.1, 7.3, 7.4, or 7.5 of this Article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this Article.

Section 7.7. Contract Right; Limitation on Indemnity. The right to indemnification conferred in this Article shall be a contract right and shall apply to services of a Director or Officer as an employee or agent of the Corporation as well as in such person's capacity as a Director or Officer. Except as provided in Section 7.4 of this Article, the Corporation shall have no obligations to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the Board.

Section 7.8. Determination that Indemnification is Proper. Any indemnification under Sections 7.1, 7.3, 7.4, or 7.5 of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case. The Corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 7.1, 7.3, 7.4, or 7.5 whichever is applicable. The determination shall be made in any of the following ways: (a) By a majority vote of a quorum of the Board consisting of Directors who were not parties to such action, suit, or proceeding; (b) If the quorum described in clause (a) above is not obtainable, by a committee of Directors who are not parties to the action (The committee shall consist of not less than two disinterested Directors.); (c) By independent legal counsel in a written opinion.

Section 7.9. Proportionate Indemnification. If a person is entitled to indemnification under Sections 7.1, 7.3, 7.4, or 7.5 of this Article for a portion of expenses, including attorney's fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the Corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 7.10. Advance of Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sections 7.1, 7.3, 7.4 or 7.5 of this article may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the Corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but it need not be secured.

Section 7.11. Nonexclusivity of Rights. The indemnification or advancement of expenses provided under this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the Corporation. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

Section 7.12. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee of the Corporation to the fullest extent of the

provisions of this Article with respect to the indemnification and advancement of expenses of Directors and Officers of the Corporation.

Section 7.13. Former Directors and Officers. The indemnification provided in this Article continues for a person who has ceased to be a Director, Officer, or volunteer and shall inure to the benefit of the heirs, executors, and administrators of that person.

Section 7.14. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who (a) was or is a Director, Officer, employee, or agent of the Corporation or (b) was or is serving at the request of the Corporation as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. The insurance may protect against any liability asserted against the person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Corporation would have power to indemnify against liability under this Article or the laws of the state of Michigan.

Section 7.15. Changes in Michigan Law. If there are any changes in the Michigan statutory provisions applicable to the Corporation and relating to the subject matter of this Article, the indemnification to which any person shall be entitled shall be determined by the changed provisions, but only to the extent that the change permits the Corporation to provide broader indemnification rights than the provisions permitted the Corporation to provide before the change.

ARTICLE VIII FISCAL YEAR

Section 8.1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end of the last day of December of each year.

Section 8.2. Annual Audits. If determined by the Board of Directors or required by the funders of the Corporation, there shall be an annual audit of the financial statements of the Corporation by an independent certified public accountant approved by the Board of Directors.

ARTICLE IX CONFLICTS OF INTEREST

Section 9.1. Purpose. The purpose of the conflict of interest policy is to protect the interests of this organization when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 9.2. Conflict Defined. A conflict of interest may exist when the interests or activities of any director, officer, staff member, or member of a committee with governing board delegated

powers, may be seen as competing with the interests or activities of this Organization, or the director, officer, staff member, or committee member has a financial or other material interest as a result of a direct or indirect relationship.

Section 9.3. Interested Person Defined. Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person. An interested person is also defined as any person related, either through business or family relations, to any person who is subject to a conflict of interest with the Organization.

Section 9.4. Financial Interest Defined. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- a. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement;
- b. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement;
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement; or
- d. The potential to realize a financial benefit that cannot be characterized as a potential ownership or investment interest but that nevertheless inures to the benefit of a person as a result of a transaction or arrangement into which the Organization enters. Compensation includes direct and indirect remuneration both for services rendered and for duties performed. Compensation also includes gifts or favors that are not insubstantial.

Section 9.5. Disclosure Required. Any possible conflict of interest shall be disclosed to the Board of Directors by the person concerned, if that person is a board member or the President of the Organization. If that person is a member of the staff, he or she shall disclose any possible conflict of interest to the President or to such person or persons as the President may designate.

Section 9.6. Determining Whether a Conflict of Interest Exists. When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the Board of Directors or its committee, excluding the person concerning whose situation the doubt has arisen and any persons related to that person who may be deemed an interested party.

Section 9.7. Action Taken in the Event of a Conflict of Interest. Upon determining that a conflict of interest exists, the Board of Directors may nevertheless decide to enter into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization so long as the following protocol is observed:

- a. Abstinance from Vote. When any conflict of interest is relevant to a matter requiring action by the Board of Directors, the interested person shall call it to the attention of the Board of Directors or its appropriate committee and such person shall not vote on the matter; provided however, any director disclosing a possible conflict of interest may be counted in determining the presence of a quorum at a meeting of the board of directors or a committee thereof. Any related person (either through business or family) who may also be deemed an interested person under the definition in section 9.3 shall also abstain from voting on the matter.
- b. Absence from Discussion. Unless requested to remain present during the meeting, the person having a conflict (and any related persons under the definition in section 9.3) shall retire from the room in which the board or its committee is meeting and shall not participate in the final deliberation or decision regarding the matter under consideration. However, that person shall provide the board or committee with all relevant information.
- c. Exploration of Alternative Arrangements or Transactions. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. Evaluation of Transaction or Arrangement. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- e. Appointment of a Disinterested Person to Investigate Alternative Arrangements or Transactions. If appropriate, the board shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- f. Record of Proceedings. The Minutes of the meeting of the board or committee shall reflect that the conflict of interest was disclosed and that the interested person was not present during the final discussion or vote and did not vote.

Section 9.8. Annual Review. A copy of this conflict of interest bylaw shall be furnished to each director, officer and senior staff member who is presently serving the Organization, or who may hereafter become associated with the Organization. This policy shall be reviewed annually for the information and guidance of directors, officers and staff members. Any new directors,

officers or staff members shall be advised of this policy upon undertaking the duties of such office.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.1. Contracts, Conveyances, Etc. All conveyances, contracts and instruments of transfer and assignment shall be specifically approved by the Board of Directors and shall be executed on behalf of the Corporation by such Officers or Agents as may be specifically authorized by the Board of Directors.

Section 10.2 Execution of Instruments. All Corporation instruments and documents including, but not limited to, checks, drafts, bills of exchange, acceptances, notes or other obligations or orders for the payment of money shall be signed by such officers or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 10.3. Borrowing. No loans and no renewals of any loans shall be contracted on behalf of the Corporation except as authorized by the Board of Directors of the Corporation. When authorized to do so, any Officer or agent of the Corporation may affect loans and advances for the Corporation from any bank, trust company or other institution or from any firm, corporation or individual, and or such loans and advances may make, execute and deliver promissory notes or other evidences of indebtedness and liabilities of the Corporation. When authorized to do so, any Officer or agent of the Corporation may pledge, hypothecate or transfer, as security for the payment of any and all loans, advances, indebtedness and liabilities of the Corporation, any and all stocks, securities and other personal property at any time held by the Corporation and to that end may endorse, assign and deliver the same.

Section 10.4. The Executive Director. The Board of Directors may, in its discretion, employ an Executive Director. The Executive Director subject to supervision by the Board of Directors, shall have general responsibility for the activities of the Corporation, including hiring and firing all other employees of the Corporation, and shall be empowered to sign and execute in the name of the Corporation such documents as are appropriate for the carrying out of such responsibility. The Executive Director will be responsible for executing the policies, orders, and resolutions of the Board and will perform any other duties assigned by the Board.

ARTICLE XI AMENDMENTS & ADDITIONS

Section 11.1. Amendments. The power to alter, amend or repeal these bylaws or adopt new bylaws shall be vested in the Board of Directors. Except with respect to actions described in section 4.16, these bylaws may be altered or amended by a vote of at least one fewer than unanimous. For illustrative purposes, if the Board consists of 9 Directors, at least 8 votes will be

required to alter or amend the bylaws. All Directors must be notified at least twenty eight (28) days in advance of any meeting in which the alteration, amendment, or repeal of these bylaws will be discussed. The attendance of any Director at any meeting shall constitute a waiver of notice of such meeting, except where a director participates in a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.

Section 11.2. Rules and Regulations. The Board of Directors may adopt additional rules and regulations, general or specific, for the conduct of their meetings, and additional rules and regulations, general or specific, for the conduct of the affairs of the Corporation provided, however, no such additional rule or regulation shall be inconsistent with or in contravention of any provision of the Articles of Incorporation or these Bylaws.