

# By-laws

## THE INTERNATIONAL ASSOCIATION OF CLAIMS PROFESSIONALS by laws 2016

### Article I Offices

The corporation shall maintain in the State of Illinois a registered office and a registered agent, at such office and may have other offices within or without the state.

### Article II Members

SECTION 1. CLASSES OF MEMBERS. The corporation shall have six classes of members: Regular, Associate, Honorary, Run-Off, Claim- Management and Adjunct.

A. REGULAR MEMBER: All of the following criteria must be met to qualify as Regular member.

(1) The Regular membership of the Association shall consist of firms, as hereunder defined, elected to membership by the procedure hereafter set forth. The word "firm" shall mean an insurance and/or reinsurance company, agency or brokerage that currently places or accepts insurance or reinsurance business.

(2) The Regular member shall designate a representative to the Association and may designate alternate representatives to the Association. The person designated as the representative of a Regular member as well as the person or persons designated as alternate representatives of Regular members must be full-time employees of that Regular member.

B. ASSOCIATE MEMBER

(1) Any individual who has, in the opinion of the Board of Directors, made a substantial contribution to the furtherance of the International Association of Claims Professionals.

(2) No Associate member may designate a representative or alternate representative.

(3) Those active Associate members in good standing shall continue as Associate members. The Board of Directors shall not consider any resolutions for additional Associate members.

C. HONORARY MEMBER: All of the following criteria must be met to qualify as an Honorary member.

(1) Any individual who has, in the opinion of the Board of Directors, made a substantial contribution to the furtherance of The International Association of Claims Professionals and to the insurance industry and is deserving of special recognition. Honorary membership shall not be conferred on any individual who is a representative of a Regular, Run-off or Claim-Management member; or is associated with any entity which, as set forth in these By-laws, would be eligible for Regular, Run-off or Claim-Management membership. No person shall become an Honorary member who has not been an Associate member or the representative of a Regular, Run-off or Claim-Management member. No person shall become an Honorary member except by affirmative vote of two-thirds of the Directors. Honorary members shall not be required to pay annual dues.

(2) No Honorary member may designate a representative or alternate representative.

D. RUN-OFF MEMBER: All of the following criteria must be met to qualify as a Run-Off member.

(1) The Run-Off membership of the Association shall consist of firms as hereunder defined, elected to Run-Off membership by the procedure hereafter set forth. The word "firm" shall mean an insurance and/or reinsurance company, agency or brokerage that formerly placed or accepted insurance/reinsurance business but no longer places or accepts such business. Further, the business of the "firm" must be the management of claims the majority of which arise out of insurance/reinsurance business formerly placed or accepted by the "firm".

(2) The Run-Off member shall designate a representative to the Association and may designate alternative representatives to the Association. The person designated as the representative of the Run-Off member as well as the person or persons designated as alternate representatives of Run-Off members must be full-time employees of that Run-Off member.

E. CLAIM-MANAGEMENT MEMBER: All of the following criteria must be met to qualify as a Claim-Management member.

(1) The Claim-Management membership of the Association shall consist of firms as hereunder defined, elected to Claim-Management membership by the procedure hereafter set forth. The word "firm" shall mean an entity, company, organization or claim service that manages a business portfolio for a company that either accepts or accepted insurance/reinsurance business.

(2) The Claim-Management member shall designate a representative to the Association and may designate an alternate representative to the Association. The person designated as the representative of the Claim-Management member, as well as the person or persons designated as the alternate representatives of Claim-Management members, must be full-time employees of the Claim-Management member.

(3) The Board of Directors may adopt no more than five resolutions admitting Claim-Management members to the Association during the twelve month period between the annual elections of the Board. The number of Claim-Management members shall not exceed 20% of the voting membership. The Board of Directors will have discretion in special circumstances to exceed the limitations by resolutions adopted by two-thirds of the Directors.

F. ADJUNCT MEMBER: All of the following criteria must be met to qualify as an Adjunct member:

(1) The Adjunct membership of the Association shall consist of individuals, who in the opinion of the Board of Directors, will compliment the membership and contribute to the furtherance of The International Association of Claims Professionals and the insurance/reinsurance industry. The designation of Adjunct member shall be personal to the individual and is non-transferable.

(2) The Adjunct member shall be an individual who provides or has provided services to Regular and/or Run-Off members, in good standing, in support of insurance/reinsurance business; The Adjunct membership can be, but is not limited to, attorneys, actuaries, claims adjusters, consultants, arbitrators/mediators and technology providers.

(3) The Adjunct member shall abide by the terms and conditions, code of ethics of the Association By-laws and membership agreements.

(4) An individual can be invited to submit an application for Adjunct membership only by the President of the Association acting pursuant to a resolution adopted by the Board of Directors. The

number of Adjunct members is not to exceed 10% of the voting membership. The Board of Directors will have discretion, in special circumstances to exceed the limitation by resolution adopted by two thirds of the Directors.

(5) Neither an invitation nor a submission of an application confers membership on an "individual".

(6) No Adjunct member may designate a representative or alternate representative. Although the firm, company or organization the Adjunct member is associated with may be listed in the Association's Membership Roster, such listing does not confer any rights of membership on the firm, company or organization.

(7) Only one Adjunct member associated with the same firm, company or organization may participate as an active member.

(8) The renewal of Adjunct memberships shall be reviewed and ratified by the Board of Directors every year, and re-application for membership shall be submitted every three years.

**SECTION 2. VOTING MEMBER.** The term "voting member" shall apply only to Regular, Run-Off and Claim-Management members in good standing. Each Regular, Run-Off and Claim-Management member shall have one vote.

**SECTION 3. TERMINATION OF MEMBERSHIP.** The Board of Directors by affirmative vote of two-thirds of all of the members of the Board may suspend or expel any member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues for the period fixed in Article XI of these By-laws or who shall fail to attend two (2) consecutive annual meetings.

**SECTION 4. RESIGNATION.** Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

**SECTION 5. REINSTATEMENT.** Upon written request signed by a former member and filed with the Secretary, the Board of Directors may by the affirmative vote of two-thirds of the members of the Board reinstate such former member to membership upon such terms as the Board of Directors deem appropriate.

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

**SECTION 7. APPLICATION FOR REGULAR, RUN-OFF AND CLAIM-MANAGEMENT MEMBERSHIP.**

A. Application Form: The form is to be prepared by the Membership Committee, but shall include the following minimum information:

(1) Firm name

(2) Address

(3) Description of insurance/reinsurance business.

B. Application forms may be obtained from the Membership Committee, the Association Administrator, or the Association website. The application must be completed and signed by two sponsors who are voting members of the Association and returned with the non-refundable application fee to the Association Administrator within a reasonable period of time prior to the meeting at which the application is to be considered.

C. The Membership Committee shall investigate the qualifications of each applicant; make a list of applicants, with brief information, available to the Committee members for comments; and report their recommendation to the Board of Directors, for action.

D. The Membership Committee may, from time to time, as directed by the Board of Directors, require that a Regular, Run-Off or Claim-Management member submit information sufficient to determine that Regular, Run-Off or Claim-Management member's eligibility to continue in its membership.

E. The list of applicants reported upon by the Membership Committee shall be presented to the Board of Directors for their approval.

F. Applicants not recommended by the Membership Committee for membership may be voted into membership by a two-thirds vote of the Regular, Run-off and Claim-Management members at a regular meeting.

G. No applications for Associate, Honorary or Adjunct membership will be accepted.

### ARTICLE III

#### Meetings of Members

SECTION 1. ANNUAL MEETING. The date of the annual meeting of the membership for the transaction of such business as may come before the meeting shall be determined by resolution of the Board of Directors to be a specific day in each year, and the time and place as may be designated by the Board of Directors and set forth in the notice of meeting.

A. The annual meeting may only be attended by the designated representative and alternate representatives of Regular members, Run-Off members and Claim-Management members. Associate, Honorary and Adjunct members may attend, but no Associate, Honorary or Adjunct member may appoint a substitute representative to attend in his stead. No guest of any designated representative, designated alternate representative, Associate, Honorary or Adjunct member may attend without the approval of the President. The President may, at his discretion, designate other attendees.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the President, the Board of Directors, or no less than one-fifth of the Regular, Run-Off and Claim-Management members to be held on the date, at the time and place within or without the State of Illinois as the President, Board of Directors, or the Membership, whichever has called the meeting shall direct.

SECTION 3. NOTICE OF MEETING. Written notice, including electronic communication, such as e-mail, stating the place, date and hour of any meeting of members, shall be delivered to each member entitled to vote at such meeting not less than five nor more than forty days before the date of such meeting. In case of a special meeting or when required by the statute or by these By-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of

meeting shall be deemed delivered when deposited in the United States Mail addressed to the member at its address as it appears on the records of the corporation, with postage thereon pre-paid. If e-mailed, the notice of meeting shall be deemed deliverable when sent.

SECTION 4. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the Regular members of the corporation, or any other action which may be taken at a meeting of Regular, Run-off and Claim-Management members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Regular, Run-off and Claim-Management members entitled to vote with respect to the subject matter thereof.

SECTION 5. QUORUM. The Regular, Run-off and Claim-Management members holding one-fifth of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the Regular, Run-off and Claim-Management members present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted at the original meeting; withdrawal of Regular, Run-Off and Claim-Management members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 6. PROXIES. Each Regular, Run-Off and Claim-Management member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

SECTION 7. SOLICITATION. Solicitation for business by any attendee at any meeting of the Association or the use of the Association's Membership Roster, website or logo, for the general solicitation of business by any member, shall be grounds for suspension or expulsion of that member from the Association by affirmative vote of 2/3 of all the members of the Board of Directors after an appropriate hearing.

#### ARTICLE IV Board of Directors

SECTION 1. GENERAL POWERS . The affairs of the corporation shall be managed by its Board of Directors.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be thirteen. There shall be twelve voting Directors and the immediate Past President of the Association shall be a Director in a non-voting capacity. In the event of a tie vote among the twelve voting Directors, the immediate Past President, serving as a Director, shall in this circumstance have the power to cast a determining vote. Each Director shall be nominated and elected at least thirty days prior to the regular Fall meeting of the Board of Directors. Each Director, duly elected, shall serve for an initial term of three years, commencing at conclusion of the Fall meeting, and may thereafter be re-elected to one year terms, provided that no voting Director shall serve more than eight consecutive years on the Board unless the Board votes to extend an Officer's service on the Board as prescribed in Article V. Prior Board service shall not preclude a former Director from future Board service. Directors need not be residents of Illinois. Only a representative of a Regular, Run-Off or Claim-Management paid-up member may be a Director, except that if during a Director's term of office that person shall cease to be a representative of a Regular, Run-Off or Claim-Management paid up member, then upon an affirmative vote of a majority of the members at the then Board of Directors, that person may continue to serve to the completion of his or her term. There shall be no more than two representatives of a Regular, Run-Off or Claim-Management member or affiliate member serving on the Board as a voting Director in any given year. The number of Directors may

be decreased to not fewer than three or increased to any number from time to time by amendment of this Section, unless the Articles of Incorporation provide that change in the number of Directors shall be made only by amendment of the Articles of Incorporation.

**SECTION 3. ASSOCIATE BOARD MEMBERS.** The Directors may select up to two Associate Board Members to serve on the Board in a non-voting capacity for a one-year term. No Associate Board Member shall serve a consecutive term on the Board as an Associate Board Member. Prior Board service shall not preclude a former Associate Board Member from future Board service as an Associate Board Member or as a Director. Only a representative of a Regular, Run-Off or Claim-Management paid-up member may be an Associate Board Member, except that if during the Associate Board Member's term, that person shall cease to be a representative of a Regular, Run-Off or Claim-Management paid-up member, then upon affirmative vote of a majority of the Directors, that person may continue to serve to the completion of his or her term. No Regular, Run-Off or Claim Management member shall have more than one of its representatives as an Associate Board Member in the same year, but may have one representative as an Associate Board Member and another as a Director in the same year.

**SECTION 4. REGULAR MEETINGS.** There shall be a minimum of two regular meetings of the Board of Directors per year. A fall meeting before, and at the same place as the annual meeting of members, and a winter meeting. These meetings shall only be attended by the officers, the Board of Directors, the General Counsel and those persons designated by the President at his discretion. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board and may fix the times and places at which such meetings shall be held.

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

**SECTION 6. NOTICE.** Notice of any special meeting of the Board of Directors shall be given at least ten days previously thereto by written notice to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope so addressed, with postage thereon pre-paid. Notice of any Board meeting by electronic communication, such as e-mail or by telephone conference shall constitute valid notice. If e-mailed, the notice of meeting shall be deemed delivered when sent. Notice of any special meeting of the Board of Directors may be waived in writing, signed by the person or persons entitled to the notice, either before or after the time of the meetings. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-laws.

**SECTION 7. QUORUM.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, 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 8. MANNER OF ACTING.** The act of a majority of the Directors present at a meeting at which quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these By-laws, or the Articles of Incorporation. Directors may vote by e-mail when an e-mail vote by the Board is necessary.

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

SECTION 10. COMPENSATION. Directors shall not receive any stated salaries for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for each regular or special meeting of the Board, providing that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving reasonable compensation therefore.

#### ARTICLE V Officers

SECTION 1. OFFICERS. The Officers of the corporation shall be President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Treasurer, a Secretary and such Assistant Treasurers, Assistant Secretaries or other Officers as may be elected by the Board of Directors. Officers whose authority and duties are not prescribed in these By-laws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. Only a representative of a Regular, Run-Off or Claim-Management paid-up member may be an Officer except that if during an Officer's term of office that person shall cease to be a representative of a Regular, Run-Off or Claim-Management paid-up member, then upon an affirmative vote of a majority of the members of the then Board of Directors, that person may continue to serve to the completion of his or her term. Should an Officer (other than the President) be approaching the eighth year of service on the Board as a voting Director, the Board may, upon a vote of two-thirds of the members at the then Board of Directors, extend that Officer's tenure on the Board for up to an additional two years, but in no event shall any voting Director serve more than ten consecutive years on the Board. There shall be no more than one representative of a Regular, Run-Off or Claim-Management member or affiliated member serving as an Officer on the Board in any given year.

SECTION 2. ELECTION AND TERM OF OFFICE. The Officers of the corporation shall be nominated and elected annually by the Board of Directors at least thirty days prior to the regular Fall meeting of the Board of Directors and shall serve a one-year term commencing at the conclusion of the Fall meeting. If the election of Officers shall not be held prior to or at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each Officer shall hold office until his successor shall have been fully elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an Officer shall not itself create contract rights.

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

SECTION 4. PRESIDENT. The President shall be the principal executive officer of the corporation. Subject to the direction and control of the Board of Directors, the President shall be in charge of business and affairs of the corporation; shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to

some other person by the Board of Directors; and, in general, shall discharge all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors. The President shall preside at all meetings of the members and of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another Officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-laws, the 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 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 which the corporation is entitled to vote except as and to the extent such authority shall be vested in a different Officer or agent of the corporation by the Board of Directors.

**SECTION 5. VICE-PRESIDENT.** The Vice-President (or in the event there be more than one Vice-President, each of the Vice-Presidents) shall assist the President in the discharge of his duties as the President may direct and shall perform such other duties as from time to time may be assigned to the Vice President by the President. In the event of the President's inability or refusal to act, the Vice President who has served as Vice President for the longest period of time (in the event there is more than one) shall perform the duties of the President and when so acting shall have all the powers of and be subject to the restrictions of the President. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-laws, the Vice-President (or any of them if there are more than one) may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and the Vice President 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.

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

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

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



ARTICLE VI  
Committees

SECTION 1. COMMITTEES. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees each of which shall have and exercise the authority of the Board of Directors in the management of the corporation. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any Association responsibility. There shall be a minimum of two categories of committees designated by the Board of Directors: Standing Committees and Ad Hoc Committees. The Nominating Committee, the Corporate Governance Committee, the Strategic Planning Committee, the Audit Committee, the Education Committee and the Member Advisory Committee shall be deemed Standing Committees.

A. Standing Committee

Standing Committees shall have the following characteristics: permanent in nature; the chairperson is appointed by the Board of Directors; the chairperson will appoint the other committee members. Standing Committees, except the Nominating Committee (formerly known as the Executive Committee) shall consist of at least two members of the Board of Directors. All Standing Committees shall have and exercise the authority of the Board of Directors in the management of the Association.

(1) Nominating Committee

The Nominating Committee shall propose nominations for Directors to the Board of Directors of the Association. The Committee shall be composed of five members and shall include the current President, who will also serve as the Committee chairperson. The Committee members shall also include the two immediate Past Presidents of the Association and two other members – other than a former Board member or Past President – from the membership of the Association.

B. Ad Hoc Committee

Ad Hoc Committees are created by the Board to serve a designated purpose or address a particular issue and are temporary in nature. The President will appoint the chairperson of an Ad Hoc Committee. The Committee, unless designated by the Board with limited authority, does not have the authority of the Board in the management of the corporation but shall prepare a report on its recommendations for the Board.

SECTION 2. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 3. CHAIRMAN. One member of each committee shall be appointed chairman.

SECTION 4. 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 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 a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 6. RULES. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

ARTICLE VII  
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 By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and any 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 resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or Vice President of the corporation.

SECTION 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

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

#### ARTICLE VIII

##### Certificates of Membership

SECTION 1. CERTIFICATES OF MEMBERSHIP. The Board of Directors may provide for the issuance of certificates evidencing membership in the corporation which shall be in the form as may be determined by the Board. Such certificates shall be signed by an officer of the Corporation. The name and address of each member shall be entered on the records of the corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board of Directors may determine.

SECTION 2. ISSUANCE OF CERTIFICATE. When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in the member's name and delivered to the member by the Secretary, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this article.

#### ARTICLE IX

##### Books and Records

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

#### ARTICLE X

##### Fiscal Year

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

#### ARTICLE XI

##### Dues

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

SECTION 2. PAYMENT OF DUES. Dues shall be payable by the first day of April in each year.

SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP. When any member of any class shall be in default in the payment of dues for a period of six months from the beginning of the period for which such dues became payable, his membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of these By-laws.

## ARTICLE XII

### Seal

The corporate seal shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois."

## ARTICLE XIII

### Waiver of Notice

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

## ARTICLE XIV

### Amendments

The power to alter, amend, or repeal the By-laws or adopt new By-laws shall be vested in the Board of Directors unless otherwise provided in the Articles of Incorporation or the By-laws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The By-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the Articles of Incorporation.

## ARTICLE XV

### Not for Profit

SECTION 1. No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, Directors, Officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise 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 these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

SECTION 2. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for payment of all of the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under

Section 50-1 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for such purposes.