

BYLAWS
OF
WYOMING STATE LITERACY ASSOCIATION, INC.

Adopted: July 18, 2018

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**BYLAWS
OF
WYOMING STATE LITERACY ASSOCIATION, INC.**
(formed under the Delaware General Corporation Law)

**ARTICLE I
OFFICES**

Section 1.01 Location. The principal office of the Corporation shall be located within or without the State of Delaware, at such place as the Board of Directors shall from time to time designate. The Corporation may maintain additional offices at such other places as the Board of Directors may designate. The Corporation shall have and maintain within the State of Delaware a registered office at such place as may be designated by the Board of Directors.

**ARTICLE II
MEMBERS**

Section 2.01 Members Authorized. The Corporation shall have one (1) class of members. All members shall be required to pay membership fees as set by the Board of Directors, to support the aims and activities of the Corporation, and to comply with such other criteria as the Board may decide. Failure to pay annual dues or assessments will result in termination of membership in the Corporation.

Section 2.02 Evidence of Membership. Each member shall be issued confirmation of membership. Membership is not transferable.

Section 2.03 Annual Meeting. A meeting of members entitled to vote shall be held for the election of Directors and the transaction of other business annually at a date and time as determined by the Board of Directors.

Section 2.04 Special Meetings. Special meetings of the members may be called at any time by the Chair, the Board of Directors or ten (10%) of the members.

Section 2.05 Action by Members Without a Meeting. Whenever the members are required or permitted to take any action by vote, such action may be taken without a meeting by written ballot, setting forth the action so taken, signed by members sufficient to take the action if a meeting was held. Such written ballot may be electronically transmitted to the Corporation, including by e-mail or fax.

Section 2.06 Place of Meetings. Meetings of members shall be held at the principal office of the Corporation or at such other place, within or without the State of Delaware, as may be fixed by the Board of Directors.

Section 2.07 Notice of Meetings.

(a) Written notice shall be given of each meeting of members, shall state the place, date and hour of the meeting and, unless it is an Annual Meeting, shall also indicate that it

is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which it is being called.

(b) A copy of the notice of any meeting shall be given not less than ten nor more than sixty (60) days before the date of the meeting. Notice may be given by mail, e-mail, or by fax. If notice is given by mail, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the member at the member's address as it appears on the record of members, or if the member shall have filed with the Secretary a written request that notices to the member be mailed to some other address, then directed to the member at such other address. If notice is given by e-mail, such notice shall be directed to an electronic address at which the member has consented to receive notice. If notice is given by fax, such notice shall be directed to a fax number at which the member has consented to receive notice.

(c) Notice of meeting need not be given to any member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any member at a meeting in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him.

Section 2.08 Qualification of Voters.

(a) Every voting member of record of the Corporation, in good standing, shall be entitled at every meeting of the members to one vote.

(b) The Board may fix a date as the record date for the purpose of determining the members entitled to vote at any meeting of members or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting.

Section 2.09 Quorum and Adjourned Meetings.

(a) A majority of the Members entitled to vote at a meeting shall constitute a quorum for the transaction of business. Action by the members shall be by majority vote of a quorum unless otherwise required by these By-laws or applicable law.

(b) Despite the absence of a quorum, the members present may adjourn the meeting to another time and place and it shall not be necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting. If after the adjournment, however, the Board of Directors fixes a new record date for determining the members entitled to vote at the adjourned meeting, a notice of the adjourned meeting shall be given to each member then entitled to notice under Section 1.07 of this Article of the By-laws.

Section 2.10 Organization. At every meeting of the members, the Chair, or in the absence of the Chair, a person selected by the meeting, shall act as chair of the meeting. The Secretary or, in the absence of the Secretary, a person selected by the meeting shall act as secretary of the meeting.

Section 2.11 Voting. Whenever any corporate action, other than the election of Directors, is to be taken by vote of the members, it shall, except as otherwise required by law or by the Certificate of Incorporation be authorized by a majority of the votes cast at such meeting.

Section 2.12 Proxies.

(a) Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person or persons to act for such member by proxy.

(b) Every proxy must be signed by the member or the member's attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law.

Section 2.13 Inspectors of Election.

(a) The Board of Directors, in advance of any meeting of members, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a meeting of members may, and on the request of any member entitled to vote thereat shall, appoint one or more inspectors. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting by the person presiding thereat. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability.

(b) The inspectors shall determine the number of membership certificates outstanding and the voting power of each, the certificates represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all members. On request of the person presiding at the meeting or any member entitled to vote thereat, the inspectors shall make a report in writing of any challenge, question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them.

**ARTICLE III
BOARD OF DIRECTORS AND OFFICERS**

Section 3.01 Power of Board and Qualification of Directors. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors.

Section 3.02 Number.

(a) The number of directors constituting the entire Board of Directors shall be not less than three (3), the number to be determined from time to time by action of the Board of

Directors, provided that no decrease in the number of directors shall shorten the term of any incumbent director.

(b) The officers of the Corporation serve as *ex officio*, voting members of the Board of Directors and shall be included in the number of Directors specified in subsection (a) above. The officers of the Corporation shall include a Chair, a Chair-Elect, an Immediate Past-Chair, a Treasurer, a Secretary and may, in the Board's discretion include one (1) or more Vice Chairs (the "Officers"). No two (2) offices may be held by the same person.

(c) The Board may also establish At-Large Director positions which shall be elected by the voting members.

(d) Both the "Officers" and the "At-Large Directors" shall be collectively referred to herein as the "Board" or "Board of Directors".

(e) As used in this Article, "entire Board of Directors" means the total number Officers and At-Large Directors entitled to vote which the Corporation would have if there were no vacancies.

Section 3.03 Election and Term of Office.

(a) The Chair, the Chair-Elect and the Immediate Past-Chair shall serve a one (1) year term.

(b) The Secretary, the Treasurer and At-Large Directors shall serve two (2) year terms and until their successors are elected and qualified.

(c) At-Large Directors, if any, shall be divided into two (2) classes of approximately the same size for purposes of staggering terms of office.

(d) Election of Officers and At-Large Directors shall occur at the Annual Meeting of Members as follows:

(i) the Treasurer and one class of At-Large Directors shall be elected in odd numbered years; and

(ii) the Secretary, the Vice Chairs (if any) and one class of At-Large Directors shall be elected in even years.

(e) The Chair-Elect shall automatically succeed to the office of Chair upon expiration of the Chair's term of office.

(f) The Chair shall automatically succeed to the office of Immediate Past-Chair upon the expiration of the Chair's term of office.

Section 3.04 Vacancies and Newly-Created Directorships. Vacancies in any At-Large Director or Officer position for any reason, including any increase in the authorized number of directors, shall be filled by the Board of Directors with eligible individuals to serve

until the next Annual Meeting of the Members and until a successor is elected and qualified. The vacancy shall then be filled by the voting members at the Annual Meeting of the Members for the unexpired term (if applicable).

Section 3.05 Removal of Directors. Any Officer or At-Large Director may be removed with cause at any time by majority vote of the entire Board of Directors. Any or all of the Officers or At-Large Directors may be removed with or without cause by vote of the Members.

Section 3.06 Resignations. Any Officer or At-Large Director may resign at any time upon written notice to the Corporation. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of such resignation shall be necessary to make it effective.

Section 3.07 Quorum of Directors. Unless a greater proportion is required by law or by the Certificate of Incorporation, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business.

Section 3.08 Meetings of the Board. An annual meeting of the Board of Directors shall be held each year at such time and place as shall be fixed by the Board of Directors, for the purpose of organization and for the transaction of such other business as may properly come before the meeting.

Regular meetings of the Board shall be held at such times as may be fixed by the Board. Special meetings of the Board may be held at any time whenever called by the Chair, or by a majority of the entire Board of Directors.

Meetings of the Board of Directors may be held at such places within or without the State of Delaware as may be fixed by the Board for annual and regular meetings and in the notice of meeting for special meetings.

Section 3.09 Meetings of the Board. Regular meetings of the Board of Directors may be held without notice at such times as may be fixed from time to time by resolution of the Board of Directors.

Special meetings of the Board of Directors shall be held whenever called by the Chair, or by any two (2) of the Officers or At-Large Directors. Notice shall be given orally, by e-mail, by fax, or by mail and shall state the purposes, time and place of the meeting. If notice is given orally, in person or by telephone, it shall be given not less than one (1) day before the meeting; if it is given by e-mail, by fax or by mail, it shall be given not less than three (3) days before the meeting.

Section 3.10 Waiver of Notice. Notice of a meeting need not be given to any Officer or At-Large Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice.

Section 3.11 Voting by Board of Directors.

(a) Except as otherwise provided by law or by the Certificate of Incorporation or these Bylaws, the vote of a majority of the Officers and At-Large Directors present at the meeting at which a quorum is present shall be the act of the Board.

(b) Each Officer and At-Large Director shall have one vote. Officers or At-Large Directors shall not vote by proxy.

(c) The following items must be approved first by majority vote of the Board of Directors at a meeting at which a quorum is present, and then submitted to the voting members for approval by a majority of **all** voting members of the Corporation:

- (i) amendment to the Corporation's Certificate of Incorporation;
- (ii) approval of a merger or consolidation;
- (iii) approval of the sale of all or substantially all of the Corporation's assets.

(d) The dissolution of the Corporation must be approved first by majority vote of the **entire** Board of Directors, and then submitted to the voting members for approval by a majority of **all** voting members of the Corporation.

Section 3.12 Informal Action by Directors; Meetings by Conference. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any one or more members of the Board may participate in a meeting of such Board by means of a telephone conference, electronic video screen communication or similar communications provided that all persons participating in the meeting can hear each other at the same time and each individual may participate in all matters before the Board, including, but not limited to, proposing, objecting to and voting upon a specific action taken at the meeting. Participation in a meeting by such means shall constitute presence in person at the meeting.

Section 3.13 Compensation of Directors. The Corporation may pay no compensation to directors for services rendered.

ARTICLE IV COMMITTEES

Section 4.01 Committees of the Board. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members committees of the Board consisting of three (3) or more Officers or At-Large Directors. The committees of the Board shall have such authority as the Board shall by resolution provide, except that no such committee shall have authority as to the following matters:

(a) The submission to the Members of any action requiring member approval under the law.

(b) The amendment or repeal of the By-laws, or the adoption of new By-laws.

Any reference in these By-laws to the Board of Directors shall include the Executive Committee unless the context or express provision otherwise indicates.

Section 4.02 Advisory Committees. The Board of Directors may designate advisory committees, each of which shall consist of such persons and shall have such authority as is provided in the resolution designating the committee, except that such committee shall be advisory only and shall not have any voting rights or authority to bind the Corporation.

Section 4.03 Finance and Audit Committee. The Board of Directors shall have a Finance and Audit Committee which shall be an advisory committee consisting of three (3) or more members. The Finance and Audit Committee shall be responsible for assisting the Board in its oversight of the accounting and financial reporting processes of the Corporation and the audit of the Corporation's financial statements. The Board of Directors shall adopt a Finance and Audit Committee Charter to govern the operations of the Finance and Audit Committee.

Section 4.04 Governance Committee. The Board of Directors shall have a Governance Committee which shall be an advisory committee consisting of three (3) or more members. The Governance Committee shall be responsible for supporting the Board in its compliance with oversight, management and assessment of the Board's performance, duties and responsibilities. The Board of Directors shall adopt a Governance Committee Charter to govern the operations of the Governance Committee.

Section 4.05 Meetings. Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chair of the Corporation or the chairman of the committee or by vote of a majority of all of the members of the committee.

Section 4.06 Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board of Directors, a majority of all of the members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of all of the members of the committee shall be the act of the committee.

Section 4.07 Tenure of Members of Committees. Each committee of the Board and every member thereof shall serve at the pleasure of the Board.

Section 4.08 Alternate Members. The Board of Directors may designate one (1) or more Directors as alternate members of the Executive Committee or of any committee of the Board, who may replace any absent member or members at any meeting of such committee.

ARTICLE V OFFICER DUTIES AND RESPONSIBILITIES

Section 5.01 Powers and Duties of Officers. Subject to the control of the Board of Directors, all officers as between themselves and the Corporation shall have such authority and

perform such duties in the management of the Corporation as may be provided by the Board and, to the extent not so provided, as generally pertain to their respective offices.

(a) **Chair.** The Chair shall preside at all meetings and of the Board of Directors at which the Chair is present. The Chair shall also perform such other duties as may be assigned from time to time by the Board.

(b) **Chair-Elect.** The Chair-Elect shall serve as an officer of the Corporation with such duties as may be assigned by the Board of Directors or the Chair, and, in the absence of the Chair, shall assume the duties of the Chair

(c) **Vice Chair.** The Vice Chair shall serve as an officer of the Corporation with such duties as may be assigned by the Board of Directors or the Chair.

(d) **Immediate Past-Chair.** The Immediate Past-Chair shall serve as an officer of the Corporation with such duties as may be assigned by the Board of Directors or the Chair.

(e) **Secretary.** The Secretary shall be responsible for the keeping of an accurate record of the proceedings of all meetings of the Board of Directors, shall give or cause to be given all notices in accordance with these Bylaws or as required by law, and, in general, shall perform all duties customary to the office of Secretary. The Secretary shall have custody of the corporate seal of the Corporation, if any; and he shall have authority to affix the same to any instrument requiring it; and, when so affixed, it may be attested by his signature. The Board of Directors may give general authority to any officer to affix the seal of the Corporation, if any, and to attest the affixing by his signature.

(f) **Treasurer.** The Treasurer shall have the custody of, and be responsible for, all funds and securities of the Corporation. He shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all moneys and other valuable property of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, the Treasurer shall render a statement of accounts. He shall at all reasonable times exhibit the books and accounts to any officer or director of the Corporation, and shall perform all duties incident to the office of Treasurer, subject to the supervision of the Board of Directors, and such other duties as shall from time to time be assigned by the Board of Directors. The Treasurer shall, if required by the Board of Directors, give such bond or security for the faithful performance of his duties as the Board of Directors may require, for which he shall be reimbursed.

Section 5.02 Agents and Employees. The Board of Directors may appoint agents and employees who shall have such authority and perform such duties as may be prescribed by the Board. The Board may remove any agent or employee at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

ARTICLE VI STATE COORDINATOR

The State Coordinator shall act as the liaison between International Literacy Association (“ILA”) and the Corporation to promote, support, enhance and further the development and cooperation of ILA programs at the State and local level. The State Coordinator shall be appointed by the Board of Directors at the Annual Meeting, subject to the approval of ILA, for a term of **three (3) years**. If the State Coordinator does not also serve as an Officer or At-Large Director of the Corporation, then the State Coordinator shall be entitled to attend all meetings of the Board of Directors in a non-voting, observer capacity.

ARTICLE VII INDEMNIFICATION AND INSURANCE

Section 7.01 Authorized Indemnification. Unless clearly prohibited by law or Section 7.02 of this Article, the Corporation shall indemnify any person (“Indemnified Person”) made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Corporation, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a Director or Officer of the Corporation, or (b) in addition is serving or served, in any capacity, at the request of the Corporation, as a Director or officer of any other Corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Corporation shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

Section 7.02 Prohibited Indemnification. The Corporation shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board of Directors in good faith determines, that such person’s acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

Section 7.03 Advancement of Expenses. The Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or promptly reimburse the Indemnified Person’s reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 7.02 of this Article. An Indemnified Person shall cooperate in good faith with any request by the Corporation that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

Section 7.04 Proceedings Initiated by Indemnified Person. Notwithstanding any other provision in this Article, the Corporation shall not indemnify or advance expenses to an Indemnified Person for any liability or costs incurred in a proceeding or claim initiated or brought voluntarily by an Indemnified Person and not by way of defense (such as by counterclaim, cross-claim or third-party claim) or participated in as an intervenor or amicus curiae by the person seeking indemnification, unless such indemnification or advancement of expenses is found to be appropriate and is approved by two-thirds (2/3) vote of the entire Board of Directors.

Section 7.05 Indemnification of Others. Unless clearly prohibited by law or Section 7.02 of this Article, the Board of Directors may approve Corporation indemnification as set forth in Section 6.01 of this Article or advancement of expenses as set forth in Section 6.03 of this Article, to a person (or the testator or intestate of a person) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Corporation in any capacity for any other Corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 7.06 Determination of Indemnification. Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court the Board of Directors shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-laws. Before indemnification can occur the Board of Directors must explicitly find that such indemnification will not violate the provisions of Section 7.02 of this Article. No Director with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Directors is not obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these By-laws.

Section 7.07 Binding Effect. Any person entitled to indemnification under these By-laws has a legally enforceable right to indemnification which cannot be abridged by amendment of these By-laws with respect to any event, action or omission occurring prior to the date of such amendment.

Section 7.08 Insurance. The Corporation is not required to purchase Directors' and Officers' liability insurance, but the Corporation may purchase such insurance if authorized and approved by the Board of Directors. To the extent permitted by law, such insurance may insure the Corporation for any obligation it incurs as a result of this Article or operation of law and it may insure directly the Directors, officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article as well as for liabilities against which they are entitled or permitted to be indemnified by the Corporation.

Section 7.09 Nonexclusive Rights. The provisions of this Article shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board

of Directors is authorized to enter into agreements on behalf of the Corporation with any Director, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 7.02 of this Article.

ARTICLE VIII CONFLICTS OF INTEREST

Section 8.01 Definition of Conflicts of Interest. A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Corporation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any Family Member; (c) any corporation in which he or a Family Member is a director, trustee, officer, or owns (directly or indirectly) more than 35% of the total (combined) voting power; (d) any trust or estate in which he or a Family Member owns (indirectly or indirectly) more than 35% of the beneficial interest; or (e) any partnership or personal service corporation in which he or a Family Member owns (directly or indirectly) more than 5% of the profits interest. Service on the board of another not-for-profit corporation does not constitute a conflict of interest. “Family Member” includes: spouse; domestic partner; ancestors; brothers and sisters (whether whole or half-blood); children (whether natural or adopted); grandchildren; great-grandchildren; and spouses or domestic partners of brothers, sisters, children, grandchildren, and great-grandchildren.

Section 8.02 Disclosure of Conflicts of Interest. A Director or Officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his duties with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the Director or Officer learns of the conflict; and (d) on the annual conflict of interest disclosure form.

The Secretary of the Corporation shall distribute annually to all Directors, Officers and key employees (as identified by the Corporation), a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the Corporation and whether the process for approval set forth in this policy was used. Such disclosure form may require disclosure of other relationships that may not constitute an actual conflict of interest, but which are required to be disclosed in order for the Corporation to comply with its annual reporting requirements.

Section 8.03 Approval of Contracts and Transactions Involving Potential Conflicts of Interest. A Director or Officer who has or learns about a potential conflict of interest should disclose promptly to the Secretary of the Corporation the material facts surrounding any potential conflict of interest, including specific information concerning the terms of any contract or transaction with the Corporation. All effort should be made to disclose any such contract or transaction and have it approved by the Board before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board shall consider the material facts concerning the proposed

contract or transaction, including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Corporation and the arrangements are consistent with the best interests of the Corporation. Fairness includes, but is not limited to, the concepts that the Corporation should pay no more than fair market value for any goods or services which the Corporation receives and that the Corporation should receive fair market value consideration for any goods or services that it furnishes others. The Board shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Corporation.

Section 8.04 Validity of Actions. No contract or other transaction between the Corporation and one or more of its Directors or Officers, or between the Corporation and any other corporation, firm, association or other entity in which one or more of its Directors or Officers are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Director or Directors or Officer or Officers are present at the meeting of the Board of Directors, or of a committee thereof, which authorizes such contract or transaction, or that his or their votes are counted for such purpose, if the material facts as to such Director's or Officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested Director or Officers. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Director or Officer should not be present at the meeting.

Section 8.05 Employee Conflicts of Interest. An employee of the Corporation with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the supervisor as to how the Corporation decisions which are the subject of the conflict will be determined. The Chair shall be responsible for determining the proper way for the Corporation to handle Corporation decisions which involve unresolved employee conflicts of interest. In making such determinations, the Chair may consult with legal counsel.

The Chair shall report to the Board at least annually concerning employee conflicts of interest which have been disclosed and contracts and transactions involving employee conflicts which the Chair has approved.

ARTICLE IX COMPENSATION

Section 9.01 Reasonable Compensation. It is the policy of the Corporation to pay no more than reasonable compensation for personal services rendered to the Corporation by officers and employees. The Directors of the Corporation shall not receive compensation for fulfilling

their duties as Directors, although Directors may be reimbursed for actual out-of-pocket expenses which they incur in order to fulfill their duties as Directors. Expenses of spouses will not be reimbursed by the Corporation unless the expenses are necessary to achieve a Corporation purpose.

Section 9.02 Approval of Compensation. The Board of Directors must approve in advance the amount of all compensation for Officers of the Corporation.

Before approving the compensation of an officer, the Board shall determine that the total compensation to be provided by the Corporation to the officer is reasonable in amount in light of the position, responsibility and qualification of the officer for the position held, including the result of an evaluation of the officer's prior performance for the Corporation, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Corporation to the individual in payment for services. At the time of the discussion and decision concerning an officer's compensation, the officer should not be present in the meeting. The Board shall obtain and consider appropriate data concerning comparable compensation paid to similar officers in like circumstances.

The Board shall set forth the basis for its decisions with respect to compensation in the minutes of the meeting at which the decisions are made, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable in light of the evaluation and the comparability data.

ARTICLE X MISCELLANEOUS

Section 10.01 Fiscal Year. The fiscal year of the Corporation shall commence July 1 in each calendar year and end on June 30.

Section 10.02 Corporate Seal. The corporate seal shall be circular in form, shall have the name of the Corporation inscribed thereon and shall contain the words "Corporate Seal" and "Delaware" and the year the Corporation was formed in the center, or shall be in such form as may be approved from time to time by the Board of Directors.

Section 10.03 Checks, Notes, Contracts. The Board of Directors shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 10.04 Books and Records. There shall be kept at the office of the Corporation: (1) correct and complete books and records of account; (2) minutes of the proceedings of the Board of Directors and the Executive Committee; (3) a current list of the Directors and Officers of the Corporation and their residence addresses; (4) a copy of these By-laws; (5) a copy of the Corporation's application for recognition of exemption with the Internal Revenue Service (if applicable); and (6) copies of the past three (3) years' Form 990 information returns and Form 990-T returns, if any, filed with the Internal Revenue Service. Any of the books, minutes and records of the Corporation may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 10.05 Loans to Directors and Officers. No loans other than through the purchase of bonds, debentures, or similar obligations of the type customarily sold in public offerings, or through ordinary deposit of funds in a bank, shall be made by the Corporation to its directors or officers, or to any other corporation, firm, association or other entity in which one or more of its directors or officers are directors or officers or hold a substantial financial interest, either directly or indirectly, except loans made to another corporation defined as a nonstock corporation under Delaware General Corporation Law.

ARTICLE XI AMENDMENTS

Section 11.01 Amendments. By-laws of the Corporation may be amended or repealed by the voting members, provided (a) that the Board of Directors may amend these By-laws to comply with any laws that the Corporation is subject, (b) the Board shall provide ILA with at least ninety (90) days advance written notice of any proposed or contemplated changes to the Corporation's By-laws. Any changes made without providing such notice to ILA shall not be valid.