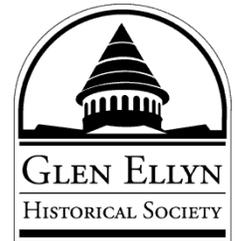


# BYLAWS OF THE GLEN ELLYN HISTORICAL SOCIETY

Adopted: July 19, 2011



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## ARTICLE I

### NAME, MISSION AND PURPOSE

**Section 1.1. Name:** The name of this organization is the Glen Ellyn Historical Society (referred to as "GEHS").

**Section 1.2. Legal Status:** GEHS is organized exclusively for charitable purposes as a 501(c)(3) not-for-profit organization.

**Section 1.3. Mission:** The mission of GEHS is to research, collect, preserve and present the history of Glen Ellyn and to educate and engage the community in understanding the effect of its heritage on the present and future.

**Section 1.4. Place of Business:** The principal place of business of GEHS is located at 800 N Main Street, Glen Ellyn, IL.

**Section 1.5. Corporate Purpose:** The purposes for which GEHS is organized are as follows:

- (a) To collect, preserve, exhibit and interpret significant objects and documents that chronicle the history and cultural heritage of Glen Ellyn;
- (b) To promote the knowledge and appreciation of the history and cultural heritage of Glen Ellyn and the region;
- (c) To own, lease or otherwise deal with all property, real or personal, to be used in furtherance of the mission of the GEHS;
- (d) To receive, hold, invest in, dispose of and otherwise administer artifacts and archival materials, monies, real estate and any other form of property exclusively for the benefit of the membership and the general public; and
- (e) To develop and operate the Glen Ellyn History Park, a designated campus of buildings, which includes, but is not limited to, the Stacy's Tavern Museum, as well as accessory structures and grounds, in accordance with professional standards of museum and archival management.

**Section 1.6. Financial Support:** GEHS shall encourage and solicit gifts of money, securities and properties of all kinds for the purposes stated in Section 1.5, subject to limitations applicable to nonprofit corporations under all applicable laws.

**Section 1.7. Collaboration:** The ownership, development, maintenance and operation of the Glen Ellyn History Park is governed by an agreement between GEHS and the Village of Glen Ellyn, as amended or replaced from time to time.

## ARTICLE II

### MEMBERSHIP

**Section 2.1. Membership:** Membership is open to all persons, families, businesses or organizations interested in supporting the mission of GEHS. A holder of a membership in GEHS is referred to as a "Member."

**Section 2.2. Membership Classifications:** The Board of Directors of GEHS (referred to as the "Board" or the "Board of Directors") may establish different Membership classifications for which the amount of dues may differ.

**Section 2.3. Lifetime Membership:** Individuals who previously paid for Life Membership (since discontinued) will continue full Membership entitlement and shall be exempt from ordinary dues, but may elect to continue financial participation on a voluntary basis.

**Section 2.4. Payment of Dues:** Membership dues shall be determined annually by the Board. Membership will be conferred upon receipt of dues.

**Section 2.5. Membership Year:** The Membership year shall correspond to the fiscal year of the GEHS or such other period as the Board may designate.

**Section 2.6. Termination of Membership:** In the event a renewing Member fails to pay annual dues within three months after the beginning of the new Membership year, then his/her Membership shall terminate except in the case of hardship, disability, or other circumstances as so directed by the President.

**Section 2.7. Transfer of Membership:** Membership in GEHS is not transferable or assignable.

**Section 2.8. Rights of Membership:** Members are eligible to do the following:

- (a) Nominate persons to serve on the Board of Directors;
- (b) Attend annual and special meetings of the Members;
- (c) Vote on all questions coming before the Members, including but not limited to:
  - (i) Electing Directors to the Board;
  - (ii) Adopting, amending or replacing these Bylaws; and
  - (iii) Dissolving or merging GEHS or selling or disposing of all or substantially all of its assets; and
- (d) Hold office and serve on committees of GEHS.

**Section 2.9. Voting Rights:** All classifications of Membership shall have one vote with the exception of family Memberships which shall have two votes.

## ARTICLE III

### MEMBER MEETINGS

**Section 3.1. Annual Meeting:** An annual meeting of the Members shall be held during the second quarter of the fiscal year or otherwise as determined by the Board of Directors. The annual meeting shall be for the election of Directors, and for whatever other business shall properly come before the meeting. Notice of the time and place of the annual meeting, along with the Board's proposed slate of nominees for election to the Board (see Section 4.9), shall be communicated to the Members at least 45 days prior to the meeting date.

**Section 3.2. Special Meetings:** Special meetings of the Members may be called by the President (or in the President's absence or inability to act, by the Vice President) or at the request of at least three Directors or at least 12 Members by notifying the President in writing. Notice of the time, place and purpose of a special meeting shall be communicated to the Members at least ten days prior to the meeting date.

**Section 3.3. Notices:** Meeting notices to the Members shall be by electronic or postal mail to the last address provided to the Secretary of GEHS by each Member. If mailed, such notices shall be deemed to be delivered when deposited in the U.S. mail. If electronically delivered, such notices shall be deemed to be delivered upon being electronically sent.

**Section 3.4. Quorum:** For purposes of voting on motions, a quorum of not less than ten Members shall be required for all Member meetings. Voting by proxy shall not be permitted.

## **ARTICLE IV BOARD OF DIRECTORS**

**Section 4.1. Purpose:** The Board of Directors is responsible for overall policy and direction of the GEHS.

**Section 4.2. General Powers:** The powers and responsibilities of the Board shall include but not be limited to the following:

- (a) Overseeing the activities and resources of GEHS in accordance with its mission and purpose;
- (b) Delegating duties for the management of the property, business, policies and affairs of GEHS;
- (c) Electing officers from time to time;
- (d) Appointing agents from time to time for the transaction of business of GEHS;
- (e) Hiring, compensating and terminating staff, including an Executive Director (see Article IX), as well as communicating objectives and expectations;
- (f) Approving annually a working budget for GEHS and providing fiscally responsible oversight for the assets of GEHS;
- (g) Establishing committees for the operation of GEHS;
- (h) Providing for the development and review of policies and procedures for the conduct of business of GEHS;
- (i) Treating confidentially all sensitive, privileged and proprietary information concerning GEHS;
- (j) Determining and assessing critical needs of the community that may be within the ability of GEHS to address;
- (k) Enhancing and promoting the resources of GEHS; and
- (l) Representing and promoting the image of GEHS.

**Section 4.3. Financial Expectations:** Directors are expected to make annual personal gifts or pledges of philanthropy to GEHS that are commensurate with their respective abilities and circumstances.

**Section 4.4. Size:** The Board shall have up to 15 members but not fewer than seven members, with the exact number of members established from time to time by the Board. Members of the Board are referred to as "Directors."

**Section 4.5. Emeritus Director:** An Emeritus Director shall be a former Board member who is invited to participate on the Board as a non-voting member in an advisory capacity. This honorific title is given in recognition of the former Board member's active participation, significant financial contributions, leadership over an extended period, and continuing strong interest in and support of GEHS.

**Section 4.6. Qualifications:** Each Director shall be a Member, at least 18 years of age, and knowledgeable of and demonstrating an interest in the mission of GEHS.

**Section 4.7. Compensation:** Directors shall not receive compensation for their services on the Board. Directors may be reimbursed for out-of-pocket expenses incurred while acting on behalf of GEHS with authority and consent of the President of GEHS, subject to annual budgetary limitations,

**Section 4.8. Term:** Each Director will be elected to serve a two-year term and may be re-elected for successive terms. One-half (or as nearly to one-half as is possible) of the Directors will stand for election each year.

**Section 4.9. Nominations:** The Board shall establish a slate of nominees for election to the Board. Notice of such slate shall be communicated to the Members at least 45 days prior to the annual meeting of Members. Each Member will have 15 days from the date of such notice in which to recommend additional Members for nomination for election to the Board, provided that a person nominated meets the qualifications stated herein and is willing to serve in the position as evidenced by a written notice to the President. Notice of the final slate of nominees for election to the Board shall be communicated to the Members at least 15 days prior to the annual meeting, provided however that no additional notice to Members is required if the final slate of nominees is the same as the slate communicated to the Members initially.

**Section 4.10. Elections:** Election of new Directors or re-election of current Directors to a succeeding term will occur as the first item of business at the annual meeting or immediately thereafter. Directors will be elected by a plurality of the votes cast by the Members present at the annual meeting.

**Section 4.11. Resignation:** A Director may resign at any time by giving written notice to the President or to the Board. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 4.12. Absences:** A Director shall be removed from the Board if she/he has three unexcused absences from Board meetings in any 12-month period.

**Section 4.13. Removal:** A Director may be removed from the Board, with or without cause, by a three-fourths vote of the remaining Directors whenever they determine that the best interests of GEHS would be served thereby.

**Section 4.14. Vacancies:** When a vacancy on the Board exists for any reason, the remaining Directors may appoint a member to fill the vacancy to the end of the previous Director's term.

**Section 4.15. Regular Meetings:** Regular meetings of the Board will be held at least six times per year on the third Tuesday of the month or as determined by the Board.

**Section 4.16. Special Meetings:** Special meetings of the Board may be called by the President (or in the President's absence or inability to act, by the Vice President) or at the request of at least three Directors.

**Section 4.17. Notice of Meetings:** The Secretary will notify all Directors of any regular or special meetings of the Board of Directors via personal delivery, mail, electronic mail or facsimile. Notice of meeting will be sent to each Director's residence or places of business no more than 30 day and no less than three days before the date on which such meeting is to be held.

**Section 4.18. Rule for Meetings:** Meetings of the Board shall be conducted in accordance with *Robert's Rules of Order*. The act of a majority of Directors present at any meeting at which there is a quorum shall be the act of the Board unless the act of a greater number is required by these Bylaws. Each Director shall have one vote. Voting by proxy shall not be permitted.

**Section 4.19. Meeting Attendance by Telephone Conference:** A Director may participate in and act at any meeting of the Board or any of its committees by means of telephone conference or similar telecommunication devices through which all participants can hear each other. Participation in such meeting shall be equivalent to attendance in person at the meeting for purposes of determining if a quorum is present.

**Section 4.20. Action by Written Consent:** Any action required by law to be taken at a meeting of the Board, or any action which may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors entitled to vote with respect to the subject matter thereof. Any such consent shall be included in the minutes filed with the corporate records reflecting the action taken.

**Section 4.21. Quorum of Directors:** For purposes of voting on motions, a quorum shall be required for all Board meetings. A quorum is constituted as a majority of the Directors then in office. If there is less than a majority of the Directors present at a particular meeting, then a majority of the Directors present may adjourn the meeting to another time without further notice.

**ARTICLE V**  
**OFFICERS AND DUTIES**

**Section 5.1. Officers:** The officers of the Board of Directors of GEHS shall consist of a President, Vice President, Secretary, Treasurer and, if determined by the Board, and Past President. The Board may provide for additional officers having such duties as the Board may determine. Each officer other than the Past President must also be a Director.

**Section 5.2. Terms:** Each officer shall hold office until a successor of such officer has been duly qualified and elected by the Board.

**Section 5.3. Duties of President:** The President shall be the chief executive officer of GEHS and shall preside at all meetings of the Members, the Board and the Executive Committee. Subject to the direction and control of the Board, the President shall have general supervision and control of the business and affairs of the GEHS; shall see that all orders and resolutions of the Board are carried into effect (except in those instances in which that responsibility is assigned to some other person by the Board), and shall perform such other duties as may be assigned by the Board. The President shall be a non-voting ex-officio member of all committees. Except as otherwise provided by Board resolution or these Bylaws, the President may execute for GEHS any contracts, deeds, mortgages, bonds or other instruments which the Board has authorized to be executed. The President shall communicate regularly and work with the Executive Director.

**Section 5.4. Duties of Vice President:** The Vice President shall assist the President in the discharge of his/her duties. The Vice President shall perform the duties of the President in his/her absence; oversee that policies and procedures are in compliance with the Bylaws; and perform such other duties as may be assigned by the President or Board.

**Section 5.5. Duties of Secretary:** The Secretary shall be responsible for keeping minutes of all proceedings of Members, the Board and the Executive Committee. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, and be the custodian of GEHS records. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the President or Board.

**Section 5.6. Duties of Treasurer:** The Treasurer shall be the principal financial and accounting officer of GEHS and shall chair the Finance, Audit, and Investment Committee (see Section 7.3). The Treasurer shall ensure and oversee the correct and adequate maintenance of financial records relating to GEHS property, assets and business transactions. The Treasurer will render reports and accountings to the Directors as required by the Board and, in general, shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the President or Board. The Treasurer shall also present an annual financial report to the Board following the close of each fiscal year, assist in the preparation of the budget for consideration and approval by the Board, participate in the performance of an annual financial audit to be conducted by an independent certified public accountant, and be responsible for the filing of any applicable tax returns.

**Section 5.7. Duties of Past President:** The Past President shall serve as the "Senior Statesman" of GEHS and perform such duties as may be assigned to him/her by the President or Board.

**ARTICLE VI**  
**COMMITTEE GUIDELINES**

**Section 6.1. Formation:** The Board may designate and appoint one or more standing or ad hoc committees, as well as task forces, from time to time, as it shall deem appropriate to conduct the activities of GEHS. The Board shall define the powers and responsibilities of such committees, provided that no committee shall have the authority to:

- (a) elect, appoint or remove any Director or officer of GEHS;
- (b) adopt a plan of merger or consolidation with any other organization;

- (c) authorize the distribution, sale, lease, exchange or mortgage of any of the property and assets of GEHS;
- (d) authorize the voluntary dissolution of GEHS or revoke proceedings therefore; or
- (e) amend or repeal these Bylaws; and

provided that any actions taken by any committee shall not conflict with the policies and procedures of the Board previously adopted.

**Section 6.2. Appointment; Term:** Each committee chairperson shall be appointed by the President and other committee members shall be appointed by the committee chairperson, including the filling of any vacancies on a committee. All committee members shall serve until their successors have been appointed. The President may remove a committee chairperson or committee member if the President believes the best interests of GEHS would be served thereby.

**Section 6.3. Rules:** Each committee may adopt rules for its conduct that are not inconsistent with these Bylaws and rules or policies adopted by the Board.

## **ARTICLE VII COMMITTEES**

The Board of Directors may establish, but is not limited to, the following standing committees.

**Section 7.1. Executive Committee:** This committee shall be responsible for the following:

- (a) Reviewing and debating details of an emergent item requiring action during intervals between regularly scheduled board meetings;
- (b) Evaluating the performance of the Executive Director, at least annually;
- (c) Making recommendations to the Board regarding compensation of the Executive Director and other paid staff positions;
- (d) Reviewing and monitoring the effectiveness as well as coordinating the work of committees and task forces; and
- (e) Facilitating an annual Board planning retreat and the Board's participation in the strategic long range planning process.

The committee shall be composed of the President, Vice President, Secretary, Treasurer, and Past President, and shall report to the full Board of Directors.

**Section 7.2. Board Development & Governance Committee:** This committee shall be responsible for establishing and maintaining a year-round process of Board and key volunteer leadership development and succession planning activities to assure the highest quality candidates. The committee shall focus on the recruitment, engagement, orientation, development, evaluation and retention of volunteer leadership throughout the GEHS and shall make recommendations for nominees for election to the Board of Directors. Membership on the committee shall include at least two members of the Board. The committee shall report to the Board of Directors.

**Section 7.3. Finance, Audit and Investment Committee:** This committee shall be responsible for all significant financial matters affecting GEHS, in line with its strategic and annual business plans. The committee shall oversee and encourage proper management of GEHS financial affairs to preserve financial integrity of GEHS and safeguard all of its assets in accordance with Board directives and legally mandated regulations. Membership on the committee shall include the Treasurer and at least one other member of the Board, and the Treasurer shall serve as chairperson of the committee. The committee shall report to the Board of Directors.

**Section 7.4. Fundraising & Resource Development Committee:** This committee shall be responsible for developing and executing plans for fundraising activities to support the long and short term goals of GEHS. Such activities shall include, but are not limited to, special fundraising events, sponsorships, grant

applications, and annual Board and community appeals. Membership on the committee shall include at least two members of the Board. The committee shall report to the Board of Directors.

**Section 7.5. Membership & Volunteer Development Committee:** This committee shall be responsible for the recruitment and retention of Members and volunteers as well as activities to raise public awareness of membership options and benefits. The committee shall report to the Executive Director.

**Section 7.6. Program Committee:** This committee shall be responsible for the development and execution of educational programs and tours for children and adults, including docent training and scheduling. While such programs and tours may generate income, the primary responsibility of the committee is to educate Members and the public. Membership on the committee shall include the Education Manager, if position is filled. The committee shall report to the Executive Director.

**Section 7.7. Collections Committee:** This committee shall be responsible for the preservation, documentation, and management of GEHS collections in accordance with the standards of the American Association of Museums. The committee shall recommend museum and collections policies and procedures, plan and execute exhibits, and cooperate with all GEHS committees when artifacts or archival materials are needed. Membership on the committee shall include the Collections Manager, Archivist, and Curator, if positions are filled. The committee shall report to the Executive Director.

**Section 7.8. Buildings & Grounds Committee:** This committee shall recommend policies for the maintenance, repair and occupancy of the physical facilities and grounds of the History Park. It shall perform an annual review of the subject properties and make an estimate of future needs and improvements. Membership on the committee may include designees from both the Historic Preservation Commission and the Village of Glen Ellyn. The committee shall report to the Executive Director.

**Section 7.9. Store Committee:** This committee shall oversee the operations of the GEHS retail store/gift shop, recommend store policies and procedures, and work with other GEHS committees to effectively promote the store. Membership on the committee shall include the store manager and merchandise manager, if positions are filled. The committee shall report to the Executive Director.

**Section 7.10. Publications and Communications Committee:** This committee shall be responsible for the preparation and publication of all materials produced by GEHS and shall work with each GEHS committee as publicity promotion is needed. In addition, the committee shall be responsible for coordinating and disseminating any internal and external news. The committee shall report to the Executive Director.

**Section 7.11: Technology Committee:** This committee is responsible for guiding decisions on important technology issues and needs, and for overseeing the implementation and management of GEHS technology infrastructure. It also supports the needs of other committee goals and objectives through technology. The committee shall report to the Executive Director.

## ARTICLE VIII

### SPECIAL POSITION CLASSIFICATIONS

GEHS may have one or more of the following paid or volunteer positions as the Board shall determine from time to time.

**Section 8.1. Collections Manager:** The Collections Manager shall be responsible for the preservation, documentation and management of GEHS collections in accordance with the standards of the American Association of Museums. Some items in the collections may be used for educational purposes and need not be maintained according to professional collections standards.

**Section 8.2. Archivist:** The Archivist shall be responsible for collecting, organizing, preserving and exhibiting archival materials (including, but not limited to, photographs, video or sound recordings, letters, documents, newspapers, and electronic records) that are believed to have long term value and are to be included in GEHS collections.

**Section 8.3. Curator:** The Curator shall be responsible for collecting, organizing, preserving and exhibiting artifacts that are believed to have long term value and are included in GEHS collections.

**Section 8.4. Education Manager:** The Education Manager shall be responsible for the development and execution of educational programs and tours for children and adults.

**Section 8.5. Historian:** The Historian shall be responsible for researching, analyzing, recording and interpreting events, ideas, institutions and individuals of Glen Ellyn's past. The Historian shall also act as an advisor or consultant and research or direct research upon request. The Historian must possess a sufficient knowledge of Glen Ellyn's past and present.

**Section 8.6: Development Director:** The Development Director shall be responsible for coordinating efforts to increase GEHS' funding base by locating, indentifying, and soliciting major donors for annual and capital gifts.

## **ARTICLE IX EXECUTIVE DIRECTOR**

**Section 9.1. Hiring & Reporting:** The Executive Director is hired by and serves at the discretion of the Board of Directors. The position shall report to the President.

**Section 9.2. Duties:** The Executive Director shall be the general manager and fiscal agent responsible for administration of GEHS programs, finances and personnel within the framework of goals, policies, principles and practices established by the Board of Directors. The Executive Director will attend all Board and Executive Committee meetings unless otherwise directed by the President, regularly report on the progress of GEHS, and carry out the duties described in the Executive Director's job description (see Section 9.3). The Board may designate other duties as necessary.

**Section 9.3. Job Description:** The Board shall approve a written job description that outlines the duties and responsibilities of the Executive Director, which may be amended from time to time by the Board.

**Section 9.4. Evaluation:** The President shall conduct an annual review of the Executive Director, with input from the Board, based upon the policies and procedures selected by the Board, which may be amended from time to time.

## **ARTICLE X FISCAL POLICIES**

**Section 10.1. Fiscal Year:** The GEHS fiscal year shall begin on July 1<sup>st</sup> of each year and end on June 30<sup>th</sup> of the following calendar year.

**Section 10.2. Annual Audit:** An auditing firm shall be appointed annually by the Board of Directors to audit the financial records of GEHS in accordance with Generally Accepted Accounting Principles (GAAP) and report their findings in writing to the Board.

**Section 10.3. Banking:** The Board of may authorize one or more officers or agents to open any deposit account in the name of GEHS, as well as endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with a financial institution. Such authorization may also extend to entering into a written lease for the purpose of renting, maintaining, accessing and terminating a safe deposit box at a particular financial institution. All checks, drafts or other orders for the payment of money shall be signed by the President or Treasurer or any agent of GEHS designated from time to time by resolution of the Board.

**Section 10.4. Contracts:** The Board may authorize one or more officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of GEHS, and such authority may be general or confined to specific incidents as determined by the Board.

**Section 10.5. Loans:** No loans shall be contracted on behalf of GEHS and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Any notes or other indebtedness shall be evidenced by a written instrument, such as a promissory note, and shall be signed by the President or Treasurer of GEHS.

**Section 10.6. Deposits:** All cash receipts shall be deposited in a timely manner, by the Executive Director or other designated agent, into the appropriate bank account(s) of GEHS at the financial institution(s) approved by the action of the Board.

**Section 10.7. Gifts:** The Board may accept on behalf of GEHS any contribution, gift, bequest or devise for the general purposes or for any special purpose of GEHS.

**Section 10.8. Book and Records:** GEHS shall keep correct and complete books and records of account and shall maintain a file of minutes of the proceedings of Members, the Board of Directors and all committees having any authority of the Board. In addition, the names and addresses of all Members and Directors shall be kept at the registered or principal office of GEHS. All books and records of GEHS may be inspected by any member of the Board of Directors, or his/her agent or attorney for any proper purpose at any reasonable time.

## ARTICLE XI

### CONFLICT OF INTEREST

**Section 11.1. Application of Policy:** The Conflict of Interest policy shall apply to officers, Directors, employees and certain volunteers of GEHS. A volunteer is covered under this policy if that person has been granted significant independent decision making authority with respect to financial or other resources of GEHS. A person covered under this policy is referred to as an “interested party.”

**Section 11.2. Conflict of Interest:** A conflict of interest may exist where (a) an interested party (including a relative or business associate of an interested party) personally benefits or profits as a result of a decision made or transaction entered into by GEHS, or (b) a conflict between the personal interests of the interested party and the best interests of GEHS could influence the interested party’s actions or judgments in conducting GEHS’s business. Whenever an interested party has a potential conflict of interest in any matter coming before the Board of Directors, the affected person shall (i) fully disclose the nature of the interest and (ii) withdraw from discussion, lobbying and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested Directors determine that it is in the best interest of GEHS to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

**Section 11.3. Disclosure Statement:** An interested party is under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known, or reasonably should be known. An interested party shall complete a disclosure statement, to fully and completely disclose the material facts about any actual or potential conflicts of interest. The disclosure statement shall be completed upon his/her association with GEHS, and shall be updated annually thereafter. An additional disclosure statement shall be filed at such time as an actual potential conflict arises.

For Directors and the Executive Director, the disclosure statement shall be provided to the President. In the case of other employees and volunteers, the disclosure statements shall be provided to the Executive Director.

**Section 11.4. Violations:** If the Board has reason to believe that an interested party has failed to disclose an actual or potential conflict of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board determines that the interested party has in fact failed to disclose an actual or potential conflict of interest, then the Board shall take appropriate disciplinary and corrective action.

## ARTICLE XII

### LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

**Section 12.1. No Liability:** To the fullest extent permitted by applicable law, an officer or Director shall not be liable to GEHS or the Members for monetary damages, except to the extent due to such officer’s or Director’s willful misconduct.

**Section 12.2. Indemnification:** GEHS shall, to the fullest extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, Director, or employee of GEHS against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in

connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of GEHS; and further provided that any compromise or settlement payment shall be approved by a majority vote of the Directors who are not at that time parties to the proceeding. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

**Section 12.3. Insurance:** By action of the Board of Directors, notwithstanding any interest of the Directors in such action, GEHS may purchase and maintain insurance in such amounts as the Board deems appropriate to protect itself and any person who is or was a Director, officer, employee, fiduciary or agent of GEHS against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not GEHS would have the power to indemnify such person against such liability under applicable provisions of law or this Article. Any such insurance may be procured from any insurance company designated by the Board.

**Section 12.4. Amendment:** This Article constitutes a contract between GEHS and the officers, Directors, and employees. No amendment or repeal of the provisions of this Article that adversely affects the right of an officer, Director, or employee under this Article shall apply to such officer, Director, or employee with respect to those acts or omissions that occurred at any time prior to such amendment or repeal.

**Section 12.5. Successors:** This Article shall inure to the benefit of the heirs, executors and administrators of the officers, Directors and employees of GEHS.

### **ARTICLE XIII DISSOLUTION**

**Section 13.1. Vote:** Should GEHS be unable to comply with the "purpose" set forth in Section 1.5 due to cessation of operations as now constituted, the Board shall designate a suitable successor institution. If such a designation is not feasible or proper, the Board shall move to dissolve GEHS. GEHS will be dissolved by a vote of three-fourths of the Members present at any regular or special meeting provided that notice of the proposed dissolution has been communicated to the Members no less than 20 days prior to the meeting at which it is to be considered. Dissolution will be completed as soon as practicable following an affirmative vote by the Members.

**Section 13.2. Financial Settlement:** Upon the dissolution of GEHS, the Board shall, after paying or making provisions for the payment of all the liabilities of GEHS, dispose of all the assets of GEHS, exclusively for the purposes of GEHS, in such manner, and to such organization or organizations organized and operated exclusively for charitable and educational purposes as shall at the time qualify as an exempt organization under section 501(C)(3) of the Internal Revenue Code, as the Board shall determine. Any such assets not so disposed of shall be disposed of by the DuPage County Circuit Court, exclusively for such purposes and to such organization or organizations, as said court shall determine are organized and operated exclusively for such purposes.

### **ARTICLE XIV REPEAL OR AMENDMENTS**

**Section 14.1:** These Bylaws may be amended, or repealed and new Bylaws adopted, by an affirmative vote of two-thirds of the Members present at any regular or special meeting, provided that notice of the proposed amendment or new bylaws has been communicated to the Members not less than 20 days prior to the meeting at which the action is to be considered. Proposed amendments must be submitted to the Secretary to be submitted to the Members.

Initially Adopted	July 19, 2011
Revised	
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Revised	