

SOCIETY OF RISK MANAGEMENT CONSULTANTS

BOARD MANUAL

BYLAWS

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SOCIETY OF RISK MANAGEMENT CONSULTANTS, INC.

BYLAWS

ARTICLE I.

ADMINISTRATION

- 1.1 Offices.** The registered office of the Corporation, which shall be its principal office, shall be located in Milwaukee, Wisconsin. The Corporation may also have offices at such other places in the State of Wisconsin or elsewhere as the Board of Directors shall from time to time determine to be necessary or convenient for the purposes of the Corporation in the carrying out of its work.
- 1.2 Fiscal Year.** The fiscal year of the Corporation shall be the calendar year.

ARTICLE II.

MEMBERS

- 2.1 Classes of Membership.** All members of the Society shall be a member of one of the following six classes of membership in the Society. Unless the context clearly indicates to the contrary in the Bylaws, the term “member” without further description shall include full, associate and lifetime members.
- 2.1.1 Full Member.** In order to qualify as a full member, an individual must meet all of the requirements established in, or pursuant to, Subsection 2.2.1. A full member shall have all of the rights, privileges and responsibilities of membership in the Society.
- 2.1.2 Associate Member.** In order to qualify as an associate member, an individual must meet all of the requirements established in, or pursuant to, Subsection 2.2.1. An associate member shall be a non-voting member. Except with respect to the associate member’s inability to vote, an associate member shall otherwise have the same rights, privileges and responsibilities as a full member.
- 2.1.3 Lifetime Member.** In order to qualify as a lifetime member, except for the individual’s no longer devoting at least 50 percent of the individual’s working time engaged in the practice or administration of risk management consulting, the individual must meet all of the requirements established in, or pursuant to, Subsection 2.2.1. In addition, in order to qualify as a lifetime member, the individual must have been a member of the Society (or one of its predecessor organizations, ICS or IRMC) for at least ten consecutive years immediately preceding the individual’s nomination for election as a lifetime member. Lifetime members shall not be required to pay annual dues. Except with respect to the lifetime member’s not being required to pay annual dues, a lifetime member shall otherwise have the same rights, privileges and responsibilities as a full member.

2.1.4 Honorary Member. In order to qualify as an honorary member, an individual must meet all of the requirements established in, or pursuant to, Subsection 2.2.2. Honorary members shall not have the right to vote, hold elective office, or be required to pay dues. Honorary members may serve on committees and may attend meetings of the Society.

2.1.5 International Member. In order to qualify as an international member, an individual must be a resident of other than the United States, Canada or Mexico, who, except for any applicable requirements for attendance at a Society conference or meeting, qualifies as either a full member or associate member. International member shall not hold elective office, but may serve on committees. An international member shall not have the right to vote except while in actual attendance at the meeting at which the vote is being taken. Until such time as the international member, except for any requirements for attendance at Society conference or meeting, would qualify as a full member, an international member shall not have the right to vote.

2.1.6 Firm Member. In order to qualify as a firm member, an applicant must have at least one individual full member, associate member, or international member in good standing. A firm member membership is automatically terminated if the firm member does not include and continuously maintain at least one membership pursuant to Subsection 2.1.1, 2.1.2 or 2.1.5. Firm member membership conveys no voting rights and only individual members shall have the right to vote as set forth in Subsection 2.6 below.

2.2 Eligibility for Membership.

2.2.1 General Qualification – Individual Members Other Than Honorary

Each applicant for admission as a member, other than as an honorary member, of the Society must establish to the satisfaction of the Membership Committee and the Board of Directors that:

(a) The applicant and the applicant's firm, if the applicant works for a firm, have satisfactory moral and ethical standing in the professional field of risk management.

(b) The applicant and the applicant's firm, if the applicant works for a firm, fully subscribe to and abide by the Society's Code of Ethics.

(c) The applicant is an individual engaged in risk management consulting as defined in this section (except with respect to an applicant for lifetime membership or an academician), who devotes at least 50 percent of the individual's normal working time to their risk management consulting practice or management of a risk management consulting firm and who meets all other requirements for the membership.

(d) The applicant shall not be an employee of an insurance company, insurance agent or insurance broker.

(e) Risk management consulting is defined as a profession whose practitioners' sole consulting remuneration is client fees and whose practitioners objectively:

(1) Identify and analyze a broad range of client risk and techniques for their management. Work may or may not extend to monitoring results or managing the risk function for the client; and/or

(2) Advise on risk control or risk financing methods and programs; and/or

(3) Evaluate client risk management administration; and/or

(4) Engage in expert witness work related to risk management and insurance issues; and/or

(5) Engage in teaching insurance and risk management courses in a college or university and spend at least 10 percent of their time in consulting or research for clients in areas of risk management and/or insurance; and/or

(6) Engage in claims management consulting, other than those engaged in claims adjustment.

(f) The applicant and the applicant's firm, if the applicant works for a firm, meet such other criteria as set forth in the Requirements for Membership as amended from time to time by the Board of Directors and ratified by a vote of two-thirds of the members present at any regular meeting or at any special meeting if notice of such proposed action has been included in the notice of such special meeting.

2.2.2 General Qualifications – Individual Honorary Members. Except with respect to those individuals elected as honorary members prior to October 1, 1993, who shall be deemed to be honorary members, each applicant for admission as a member of the Society as an honorary member must:

(a) Have exemplary moral and ethical standing in the professional field of risk *management*;

(b) Have made outstanding contributions to the practice of risk management; and

(c) Meet such other criteria as set forth in the Requirements for Membership, as amended from time to time by the Board of Directors and ratified by a vote of two-thirds of the members present at any regular meeting or at any special meeting if notice of such proposed action has been included in the notice of such special meeting.

2.2.3 General Qualifications – Firm Members. A firm shall not qualify for membership without an individual member of one of the classes set forth in Subsection 2.1.1, 2.1.2, or 2.1.5 above, but the firm may apply for membership simultaneously with the first individual member applicant for membership. Qualification for firm membership does not entitle any individual employed consultant to automatic membership. A firm must apply for firm membership when an individual of that firm becomes a member, but not all individuals of a firm member, or firm membership applicant, who provides consulting services must apply for membership.

2.3 Nomination and Election of Members. Nominations for membership specified in the preceding Sections 2.1 and 2.2 may be made by any member of the Corporation. Election to membership of any such class shall be made by the Membership at such times, subject to such rules and regulations as the Board of Directors may from time to time make or prescribe.

2.4 Termination of Individual Membership.

Grounds for termination of membership shall be:

(a) nonpayment of dues,

(b) failure to return application update form required when member changes firm, the member or the member's firm merges or is acquired by another organization,

(c) failure to sign an annual affirmation statement,

(d) failure to meet the requirements established in, or pursuant to, Subsection 2.2.1, 2.2.2, or 2.2.3 as appropriate, or

(e) continuation of the member's membership would be detrimental to the best interest of the Society.

Except for (a), for which termination shall be automatic in accordance with established rules, the Board shall have the right to terminate membership for (b), (c), (d) or (e) upon receipt of a recommendation by an Officer or committee chairperson and such termination shall be effective 30 days after notice has been sent by registered mail to the member.

2.5 Resignation. Any member may resign at any time by written resignation delivered or mailed to the Secretary of the Corporation. Any such resignation shall be effective upon receipt thereof by the Secretary of the Corporation.

2.6 Voting. Each full and lifetime member of the Corporation shall have one vote on or with respect to any matter on which members of the Corporation have the right to vote under the terms of the Articles of Incorporation, these Bylaws or any applicable statute or rule of law. There shall be no cumulative voting for Directors or any other matter.

- 2.7 Dues.** The annual dues shall be payable to the Society as determined by the Board of Directors in advance at the beginning of each calendar year. Such dues shall be paid no later than March 31 of each year. Members who have been dropped for nonpayment of dues may be reinstated upon payment of dues for the current year. No member shall be liable to the Society for any assessments of any kind in addition to the annual dues except such as the member may specifically agree to in writing. The Board of Directors may increase or decrease the amount of the annual dues. The Board of Directors may in its discretion reduce the dues of, or exempt from the payment thereof for such period as said Board may determine, any member of the Society for good cause shown. Dues will be based on the number of consultants delivering services under the firm's tradename regardless of their status as an employee or an independent contractor of the firm, and regardless of their status as an individual member of the Society. An independent contractor is to be included in the firm consultant count if the independent contractor provides ongoing or routine services similar to an employee consultant. An independent contractor engaged by the firm for an individual project or engagement as a special resource to provide special knowledge or expertise not otherwise possessed is not to be included in the count.

ARTICLE III.

MEETINGS OF MEMBERS

- 3.1 Annual and Spring Meetings.** The Society shall hold two meetings each year, an Annual Meeting and a Spring Meeting, and may convene Special Meetings described in Subsection 3.3 below. The annual and spring meetings shall constitute Regular Meetings as described in Subsection 4.4 below. The annual meeting of the members of the Corporation, at which the Officers and Directors shall be elected, shall be held during the fall each year. Said Annual and spring meetings shall be held on such dates at such times and places as shall be selected by the President and Secretary subject to the approval of a majority of the Board of Directors.
- 3.2 Nominations and Elections.** Prior to each annual meeting, the President shall appoint a Nominating Committee to consist of three members, two of which shall be present or past Officers of the Corporation. It shall be the responsibility of said Nominating Committee to propose a slate of nominees for the positions to be voted on at the annual meeting. Additional nominations may be made from the floor by any voting member at the meeting, provided that the nominee accepts the nomination. A plurality vote shall constitute an election. The nominees for Directors corresponding with the number of Directors to be elected who receive the highest number of votes shall be declared elected. In case of a tie, the choice shall be decided by lot. Additional rules and regulations necessary for the fair conduct of nominations and elections may be established by the Board of Directors.

- 3.3 Special Meetings.** Special meetings, to be held at a place designated by the Board of Directors, shall be called by the Secretary of the Corporation upon the request of the President or President-Elect, a majority of the members of the Board of Directors, or members of the Corporation comprising not less than 30 percent of the total membership of the Corporation.
- 3.4 Voting by Members.** At each annual meeting, spring meeting, or special meeting of members, each voting member of the Corporation may vote, in person or by proxy, by voice or by ballot; or if the notice of meeting or of voting shall specify that voting is to be by mail vote, each voting member may vote by written ballot mailed to the address specified in the notice. Except where otherwise required or provided by statute, by the Articles of Incorporation, or by other provisions of these Bylaws, at any meeting where a quorum is present, and in any voting by mail, each matter shall be decided by a majority vote of the members voting on such matters.
- 3.5 Notice of Meetings; Voting by Mail.** Written notice of each annual meeting, spring meeting, or special meeting of the members of the Corporation and of such members' voting by mail on any issue shall be delivered or mailed by the Secretary of the Corporation, or the other person or persons entitled to call such meeting or give notice of such voting by mail, not less than five nor more than 30 days before the meeting (or the date for counting of ballots on a vote by mail), including the day of the meeting (or counting of ballots), to all members of the Corporation. Each such notice of meeting shall state the time and place of the meeting and the purpose or purposes thereof (or in the case of annual meeting, any matters concerning which special notice is required); except that if the notice thereof so states, any annual, spring, or special meeting, or the vote on any issue, may be held or had by mail. The Board of Directors shall establish a procedure for voting by mail and counting ballots in connection with any voting by mail, and shall designate one of the Directors or an Officer of the Corporation to verify the results of the voting on each issue in writing and acknowledge the execution of such certificate before a notary public and deliver such certificate to the Secretary of the Corporation who shall enter it in the minute books of the Corporation.
- 3.6 Quorum.** A quorum for any annual meeting, spring meeting, special meeting, or vote by mail shall be:
- (a) A two-thirds majority (but not fewer than fifteen members) of the sum of the members of the Corporation authorized to vote who either (1) have been registered to attend the meeting, or (2) have submitted a valid proxy where voting is at a meeting and not by mail.
- (b) 20 percent of the members of the Corporation authorized to vote if voting by mail; but for this purpose a member shall be considered as voting only if the member's ballot or other writing expressing the member's vote is received in time to be counted in the voting as herein above provided where the voting is by mail.

- 3.7 Meeting Program.** The program for the annual and spring meetings shall be arranged by the President and the Secretary unless otherwise provided by the Board of Directors and notice thereof shall be given to the members of the notice of the meeting.
- 3.8 Conduct of Meeting.** The rules for the conduct of the meetings may be promulgated by the Board of Directors. Except with respect to the right to vote (which pursuant to Section 2.6 of Article II is limited to full and lifetime members), all members attending the meetings shall have all of the privileges of the floor including the right to introduce motions and resolutions and to participate in all other business of the meetings.
- 3.9 Order of Business.** The order of business at each annual or spring meeting shall be fixed at the beginning of the meeting and shall include among other things, report of the President, report of the Board of Directors, reports of other Officers, reports of Committees, election of the Officers and Directors and miscellaneous business.
- 3.10 Rules of Procedure.** The rules of procedure at meetings of the members shall be according to Robert's Rules of Order, so far as applicable and when not inconsistent with these Bylaws. The rules of procedure may be suspended by majority vote of those present and authorized to vote at any meeting.

ARTICLE IV.

DIRECTORS

- 4.1 General Powers.** The business, property, and affairs of the Corporation shall be managed by a Board of Directors.
- 4.2 Number, Qualifications and Terms of Office.** There shall be thirteen members of the Corporation's Board of Directors including four Officers and the immediate past President. They shall be elected at the annual meeting of the members; however, not more than two members of the same consulting firm shall serve as Directors at the same time. Each Director elected by the members of the Corporation shall hold office for two years, and until the Director's successor has been elected and has qualified or until the Director dies, resigns, or is removed, or the Director's terms otherwise expires, as provided by law or in these Bylaws. Four Directors shall be elected each year so there will always be four new and four experienced Directors in addition to the Officers and the immediate past President.
- 4.3 Meetings.** For the purpose of transacting any business that may properly come before a meeting, a meeting of the Board shall be held as soon as practicable prior to each annual meeting, Spring meeting or other duly called meeting of the members of the Corporation at such place as may be specified either in a notice given as provided by these Bylaws for special meetings of the Board or in writing consent and waiver of notice signed by all the Directors.

- 4.4 Regular Meetings.** Regular meetings of the Board of Directors may be held from time to time at such intervals and at such places as may from time to time be fixed by resolution adopted by a majority of the entire Board of Directors or agreed upon in writing by all the Directors. No notice of any such regular meeting need be given.
- 4.5 Special Meetings.** Special meetings of the Board of Directors may be held at such times and places as may from time to time be designated in notices or waivers of notice of such meetings. A special meeting may be called by the President of the Corporation and shall be called on the written request of any two Directors, delivered to the Secretary of the Corporation. Unless notice is waived by all Directors entitled thereto, notice of any special meeting shall be given by the Secretary of the Corporation, who shall give at least 96-hours notice thereof to each Director by mail, telegraph, telephone, facsimile or in person; except that a special meeting may be held without waiver of notice from or giving notice to any Director who is in the armed forces of the United States.
- 4.6 Quorum.** Except as may be otherwise specifically provided in other provisions of these Bylaws, a majority of the members of the Board of Directors shall constitute a quorum for the transaction of business.
- 4.7 Compensation.** No Director shall receive any compensation for the Director's services as a Director unless specifically authorized by vote of the Corporation; but Directors may be reimbursed for any expenses incurred or expenditures made by them for or on behalf of the Corporation.
- 4.8 Resignation and Removal.** Any Director may at any time resign as such, effective either immediately or at a specified later date, by written resignation delivered to the Secretary of the Corporation. Any Director may be removed as a Director, with or without cause, by the unanimous affirmative vote of the other Directors of the Corporation or by the affirmative vote of a majority of all of the members of the Corporation, of all classes.
- 4.9 Filling Vacancies.** If the members of the Corporation remove a Director, they may simultaneously, and by a like vote, elect a new Director in the Director's place; or if they fail to do so, or if there is ever a vacancy in the Board of Directors due to any other cause (including an increase in the number of Directors), the vacancy may be filled by the remaining Director or Directors, though less than a quorum. Each Director so elected to fill a vacancy shall serve and hold office until the Director's successor is elected.
- 4.10 Executive Committee.** Subject to a minimum affirmative vote of eight Directors, the Executive Committee shall have and exercise the authority of the Board in the management of the business, property and affairs of the Corporation in the intervals between meetings of the Board, but subject at all times to the control and direction of the Board. Members of the Executive Committee shall serve for the same terms and be subject to removal in the same manner as Officers of the Corporation, except that anyone who ceases to be a Director shall automatically cease to be a member of the Executive Committee.

4.11 Other Committees. The President of the Corporation shall annually appoint the following standing committees, including its Chairperson:

- | | |
|------------------------|----------------------------|
| 1. Ethics | 7. Meetings |
| 2. Finance | 8. Membership |
| 3. Historical | 9. Nominating |
| 4. Insurance | 10. Professional Practices |
| 5. Legal | 11. Public Relations |
| 6. Long Range Planning | |

The purpose of each standing committee shall be established by the Board of Directors. The Board of Directors may establish such other temporary committees as it may consider proper, designating the number of committee members and the duties or purposes of each such committee. No more than two members of the same consulting firm shall be appointed to the same committee, nor shall such members constitute a majority of such committee. The President shall annually designate a chairperson for each such committee.

4.12 Directors Not to Lend Corporate Credit. No Director of the Corporation shall sign or endorse in the name or on behalf of the Corporation, or in the Director's official capacity, any obligation for the accommodation of any other party or parties, except upon the express direction of the Board of Directors, nor shall any check, note, bond, stock certificate, or other security or thing of value belonging to the Corporation be used by any Director as collateral for any obligation of the Director's own purpose or for any purpose other than for the use of the Corporation.

ARTICLE V.

OFFICERS

5.1 Number of Offices. The Officers of the Corporation shall be a President, President- Elect, a Secretary and Treasurer, and such other Officers as may from time to time be chosen by the Board of Directors. Any two offices, except those of President and President/Elect and those of President and Secretary, may be held by one person.

5.2 Election, Terms of Office and Qualifications. The Officers of the Corporation other than the President shall be elected at the annual meeting of the members in the manner set forth in these Bylaws. Each such Officer other than the President-Elect shall hold office until the next annual meeting of the members and until the Officer's successor is elected and qualifies, or until the Officer's earlier resignation or death, except that any Officer may be removed from office at any time, with or without cause, by the affirmative vote of a majority of the members. The President-Elect shall be elected at the annual meeting of the members in the manner set forth in these Bylaws. Unless the President-Elect succeeds to the office of the President earlier pursuant to Section 5.4(b) of this Article, the President-Elect shall succeed to the office of the President upon the election of the

succeeding President-Elect at the next annual meeting and shall thereafter hold office as President until the following annual meeting of the members and until the new President-Elect is elected and qualifies. If the President-Elect succeeds to the office of the President pursuant to Section 5.4(b) of this Article prior to the next annual meeting of the members, such Officer shall hold office as President until the election of the new President-Elect at the second annual meeting after election as President-Elect.

5.3 Filling Vacancies. If the members of the Corporation remove an Officer, they may simultaneously, and by a like vote, elect a new Officer in the Officer's place; or if they fail to do so, or if there is ever a vacancy in the Officers due to any other cause, the vacancy may be filled by election of the Board of Director. Each Officer so elected to fill a vacancy shall serve and hold office until the Officer's successor is elected.

5.4 Powers and Duties.

(a) The President of the Corporation shall preside at all meetings of the members of the Corporation, the Board of Directors, and the Executive Committee, shall be the Chief Executive Officer of the Corporation, and shall be an ex officio member of all standing Committees of the Board. The President may, in the name of the Corporation (either alone or together with another Officer or Officers) execute and deliver any deeds, mortgages, bonds, contracts, or other written instruments pertaining to the business or affairs of the Corporation.

(b) The President-Elect shall succeed to the powers and duties of the President in the event of the President's absence or disability and to the office of the President in the event of the President's resignation or death.

(c) The Secretary shall give all required notices of, attend, act as Secretary of, and keep proper minutes of all meetings of the members, the Board of Directors, and the Executive Committee; shall have charge of the Corporate minute books, membership records, and seal, and shall have power to affix the Corporate seal to any instrument requiring it and, when necessary, attest the seal by the Secretary's signature.

(d) The Treasurer shall have charge of the receipt of the funds of the Corporation, with power to endorse, invest, deposit or collection and credit to the account of the Corporation, in such depository or depositories, or otherwise, as may be selected by the Board, all instruments for the payment of money received by the Corporation; shall have the power and authority to disburse funds of the Corporation, alone or jointly with another Officer or Officers, as may be authorized or directed by the Board of Directors; and shall have the duty to keep and render accurate accounts of all such receipts and disbursements.

- 5.5 Executive Secretary.** The Board of Directors may, in its discretion but only by affirmative vote of the entire Board of Directors, elect or appoint either the Secretary of the Corporation or some other person (other than the President of the Corporation) as its Executive Secretary, confer or impose upon the Executive Secretary, either alone or in conjunction with any other Officer or Officers of the Corporation, such powers and duties as the Board may from time to time prescribe (including executive or other powers which might normally be exercised by another Officer of the Corporation); alter or change the powers and duties of the office from time to time; and at any time abolish the office entirely or remove any Executive Secretary from office, with or without cause.
- 5.6 Officers Not to Lend Corporate Credit.** No Officer of the Corporation shall sign or endorse in the name or on behalf of the Corporation, or in the Officer's official capacity, any obligation for the accommodation of any other party or parties, except upon the express direction of the Board of Directors, nor shall any check, note, bond, stock certificate, or other security or thing of value belonging to the Corporation be used by any Officer as collateral for any obligation of the Officer's own purpose or for any purpose other than for the use of the Corporation.

ARTICLE VI.

WAIVER OF NOTICE; ACTION WITHOUT MEETING; IRREGULAR MEETING

- 6.1 Waiver of Notice.** A member of the Corporation or a Director may execute a written waiver of any notice of any meeting, or any vote by mail, required to be given by statute, by the Articles of Incorporation, or by any provisions of these Bylaws, either before, at, or after that meeting, or the counting of ballots on that vote by mail, and any such waiver, when filed as hereinafter provided, shall be equivalent to such notice. Any such waiver shall be filed with the person designated to act as Secretary of that meeting, or one of the persons participating in that counting of mailed ballots, who shall enter it upon the minutes or other records of that meeting, or that voting by mail. Appearance at a meeting by any member or Director shall also be deemed a Waiver of Notice thereof unless the appearance is solely for the purpose of asserting the illegality of the meeting.
- 6.2 Action without Meeting.** Any action by the Directors or by any members without a meeting, which is taken or authorized in writing signed by all the Directors, or by all of the members of the Corporation, as the case may be, shall be valid and effective.
- 6.3 Validation of Irregular Meetings.** An irregular meeting of members of the Corporation, and any action taken at such meeting, may be validated by the written consent of all members who were entitled to notice of that meeting, filed with the person designated to act as Secretary of that meeting, and entered upon the minutes or other records of that meeting.

ARTICLE VII.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

7.1 Indemnification of Directors and Officers. A member of the Board of Directors or Officer of the Corporation shall not be personally liable for monetary damages for any action taken, or any failure to take any action except that set forth in Section 181.287 of the Wisconsin Statutes.

7.1.1 The Corporation shall indemnify any person who was, is or may be a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Director, Officer, committee member or employee of the Corporation or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the name of the Corporation to the extent that such indemnification is not prohibited by law.

7.2 Advance of Expenses. Expenses incurred by a Director, Officer, committee member or employee in defending a civil act or criminal action, suit or proceeding may be paid by the Corporation in advance. The individual shall repay such advance if it is ultimately determined that the individual is not entitled to be indemnified by the Corporation.

7.3 Procedure of Determining Permissibility. The Board of Directors shall determine by a majority vote of a quorum consisting of Directors not parties to such action, suit or proceeding whether any indemnification or advance of expenses under this Article is permissible. If a quorum is not obtainable, or the Board of Directors so directs, such determination shall be made by independent legal counsel.

7.3.1 The reasonable expenses of any Director, Officer, committee member or employee in prosecuting a successful claim for indemnification and the fees and expenses of any special legal counsel engaged to determine permissibility of indemnification or advance of expenses shall be borne by the Corporation.

7.4 Contractual Obligation. The obligations of the Corporation to indemnify a Director, Officer, committee member or employee under this Article shall be considered a contract between the Corporation and Such Director, Officer, committee member or employee. NO modification or repeal of any provision of this Article shall affect, to the detriment of the Director, Officer, or committee member or employee, any such obligation of the Corporation in connection with the claim based on any act or failure to act occurring before such modification or repeal.

- 7.5 Indemnification Not Exclusive; Inuring of Benefit.** Indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other right to which one indemnified may be entitled under any agreement and shall inure to the benefit of the heirs, executives or administrators and assigns of any such person.
- 7.6 Insurance, Security and Other Indemnification.** The Board of Directors shall have the power to:
- (a) authorize the Corporation to purchase and maintain, at the Corporation's expense, insurance on behalf of the Corporation and others to the extent permitted by law.
 - (b) create any fund of any nature, whether or not under the control of a trustee, or otherwise, to secure any of its indemnification obligations and,
 - (c) give other indemnification to the extent not prohibited by statute.

ARTICLE VIII.

AMENDMENT OF BYLAWS

- 8.1** The Bylaws may be amended at any regular meeting of the Board of Directors or at any special meeting of said Board if notice of the proposed amendments has been included in the notice of such special meeting by the affirmative vote of two-thirds of all the Directors. Bylaw amendments made by the Board shall not become effective until ratified by a majority of members in attendance at the next regular membership meeting or at any special meeting if notice of such proposed amendments has been included in the notice of such special meeting.

Bylaws made by the Directors, including those ratified by the members pursuant to the preceding paragraph, may be amended or repealed by vote of two-thirds of the members at any regular meeting or at any special meeting if notice of such proposed action has been included in the notice of such special meeting.

Secretary

Jay M. Bänder

Attested:

President

As amended by action of the Board of Directors taken at the meeting held October 16, 2013 and ratified by action of the members taken at the meeting held on October 17, 2013.

Bylaws as amended: 10/16/13 ratified 10/17/13: 13
(Replaces pages dated 10/18/12)

