

# **ALPHA TAU OMEGA**

**THOMAS ARKLE CLARK  
CHAPTER HOUSE MEMORIAL INC.**

**Corporate Bylaws**

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## PREAMBLE

We, the undersigned natural persons all being of the age of eighteen years or more, acting as Directors of the House Corporation known as the **Thomas Arkle Clark Chapter House Memorial Incorporated**, adopt the following Bylaws for the regulation of the internal affairs of the Thomas Arkle Clark Chapter House Memorial Inc., ("Corporation"), as set forth hereinafter.

## ARTICLE I - NAME

The name of the Corporation is the Thomas Arkle Clark Chapter House Memorial Incorporated. The Corporation was incorporated in the State of Illinois on March 21, 1938, and operates under the Illinois General Not-For-Profit Corporation Act of 1986, as amended, (805 ILCS 105/et seq, the "Act")

## ARTICLE II - PURPOSE

The primary purpose for which the Corporation is organized shall be to act as a house corporation, providing services to the Gamma Zeta Chapter (University of Illinois) of Alpha Tau Omega Fraternity. In this capacity, the Corporation may solicit and receive contributions, purchase, own and sell real and personal property, make contracts, invest corporate funds, spend corporate funds for corporate purposes, and engage in other activities in furtherance of, incidental to, or connected with any of the other Purposes.

The Corporation shall have all of the powers given it by the laws of the State of Illinois; provided, however, only such powers shall be exercised as are in furtherance of the tax exempt purposes of the Corporation and as may be exercised by an organization exempt under Section 501(c)(7) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

Notwithstanding any provision of these Bylaws or the Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(7) of the Internal Revenue Code, as amended, and the Board shall not take any action that could cause the Corporation to lose its Section 501(c)(7) status.

## ARTICLE III - PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Corporation shall be the location of the fraternity house at 1101 W Pennsylvania Ave, Urbana, Illinois 61801.

## **ARTICLE IV - REGISTERED OFFICE AND AGENT**

The Corporation shall maintain a registered office and registered agent in the State of Illinois as required by the Act.

## **ARTICLE V - MEMBERS/STOCK**

**Section 5(a) Members:** The Corporation shall have one class of members consisting of individuals who: (i) are alumni of the Gamma Zeta Chapter of Alpha Tau Omega Fraternity; (ii) are not current undergraduate members of the Gamma Zeta Chapter of the Alpha Tau Omega Fraternity at the University of Illinois, Urbana-Champaign; (iii) have paid the dues as are from time to time established for membership in the Corporation as set forth in Section 5(b) below; and (d) have been elected to membership by the Board of Directors.

**Section 5(b) Annual Dues:** Members shall pay the Corporation an annual membership fee totaling \$100.00; or Members may pay the Corporation at least \$300.00 payable over no more than three (3) consecutive years.

**Section 5(c) Rights of Members:** Each member who has paid his dues as set forth in Section 5(b) above shall be entitled to one vote on each matter submitted to a vote of members. There shall be no cumulative voting by Members. Members may vote in person at a meeting, by written proxy given to any officer of the Corporation who will be present at the said Meeting, or by voice vote if the Member is present at the meeting through a video conference call, a teleconference call, other internet technology as available, cell phone or other means of electronic communications through which the Member may actively participate in the meeting. No individual who is expelled or resigns from the Alpha Tau Omega Fraternity shall have a right to vote on any matter submitted to a vote of the members.

**Section 5(d) Resignation and Termination:** Any member may resign by filing a written letter of resignation with the secretary of the Board of Directors, or may have his membership terminated by a majority vote of the Membership. A member's resignation shall not relieve a resigning member of his obligation to pay any unpaid dues.

**Section 5(e) Non-liability for Debts:** No members shall be liable for any debts or liabilities of the Corporation.

**Section 5(f) Stock Certificate:** The Corporation shall not issue any stock certificates to its members.

## ARTICLE VI -- MEETINGS OF MEMBERS

**Section 6(a) Annual Meeting of the Members:** The Annual Meeting of the Corporation shall be held each year during the scheduled Homecoming Weekend in the Fall Semester at the University of Illinois, Urbana-Champaign Campus. The time and location of the meeting shall be as the Board shall determine. Notice of the actual date and time of the Annual Meeting shall be published on the Gamma Zeta Chapter's website, in any alumni newsletter or in any House Corporation newsletter, not less than thirty (30) days nor more than ninety (90) days before the meeting date. Members may attend the annual meeting in person or by video conference or by teleconference call, or other internet technology as available, and may cast their vote as set forth in Section 5(c) above.

**Section 6(b) Special Meetings of the Members:** Special meetings may be called by the president of the Board of Directors or by a simple majority vote of the Board of Directors. In addition, a petition signed by fifteen (15) voting members may also call a special meeting.

**Section 6(c) Quorum of Members entitled to Vote:** A quorum for a meeting of the members shall consist of at least fifteen (15) members entitled to vote on any matter brought to the membership for a vote, with such fifteen (15) members being represented either in person, by proxy, or present through any internet or electronic means sufficient to permit the member to participate in the matters being brought before the Members for any vote. Any matter to be determined by a vote of the members present at a meeting of the members shall be by an affirmative vote of a majority of the votes present and voted.

## ARTICLE VII - BOARD OF DIRECTORS

### **Section 7(a) General Powers:**

- i) The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation for all purposes for which this Corporation was organized.
- ii) In addition to the foregoing duties and responsibilities, the Board shall have the power to:
  - (1) take and hold by purchase, lease, bequest, devise, grant, gift or otherwise, any property, both real and personal, of whatever kind and nature, and to sell, exchange, convey, mortgage,

lease, transfer or otherwise dispose of any such property, subject to such limitations as may be prescribed by law, these Bylaws, as amended from time to time, or by the Articles of Incorporation;

- (2) borrow money without limitation as to amount for all corporate purposes and to evidence such borrowing or borrowings by notes, debentures, bonds or other securities or evidence of indebtedness, and to assign, transfer, mortgage, pledge or otherwise encumber any of the assets of the Corporation as security for the repayment thereof;
- (3) make and carry out contracts of every kind and description that may be necessary or convenient to the accomplishment of the purposes of this Corporation;
- (4) lend money to, to guarantee the obligations of, and to otherwise assist its members or members and pledges of Gamma Zeta Chapter of the Alpha Tau Omega Fraternity, as the Board may deem necessary and/or appropriate under any circumstances approved by a majority of the Board;
- (5) invest and reinvest its funds and to take and hold real and personal property as security for the payment of funds so loaned or invested by the Board, or as security for the obligations of others to the Board;
- (6) elect or appoint officers and agents, and define their duties;
- (7) make donations for the public welfare or for charitable, scientific or educational purposes;
- (8) cease its corporation activities and surrender its corporate franchise;
- (9) have all other and additional powers granted or permitted by the laws of the State of Illinois applying to domestic not-for-profit corporations in regard to the exercise of any corporate function, power, right, duty or privilege.

**Section 7(b) Number of Directors:** As set forth in the Articles of Incorporation filed with the Illinois Secretary of State in 1938, the number of directors constituting the Board of Directors of this Corporation shall be SEVEN (7) directors. The Board of Directors may increase the number of Directors from time to time, but the number of Directors shall always be an odd number.

**Section 7(c) Qualifications and Terms of Board Members:**

- i) Each member of the Board of Directors shall be a member of the Corporation and whose membership dues are paid in full.
- ii) A Board member's term shall be four (4) years. A Director shall not serve more than three (3) consecutive terms as a Director. The terms of each board member shall be staggered so that at the time of each annual meeting, the terms of approximately one-third (1/3) of all members of the Board of Directors shall expire.
- iii) The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be qualified and duly elected.

**Section 7(d) Election of Directors:** All members of the Board of Directors must be approved by a majority vote of the members present and voting. No vote on new members of the Board of Directors shall be held unless a quorum of the Board of Directors is present as provided in Section 7(g) below.

**Section 7(e) Annual Meetings:** An annual meeting of the Board of Directors shall be held at a time and day in the month of October of each calendar year and at a location designated by President of the Board of Directors. A majority of the Board of Directors may vote to hold additional meetings during a calendar year, and shall set the date, time and location of such meeting(s) provide by resolution the time and place, for the holding of regular meetings of the Board. Notice of these meetings shall be sent to all Directors by email, text or other electronic means, or by mail to the last known address of any Director who does not maintain an email address no less than ten (10) days, prior to the meeting date.

**Section 7(f) Special Meetings:**

- i) Special meetings of the Board of Directors may be called by or at the request of the President or any two members of the Board of Directors.



ii) The person or persons authorized to call special meetings of the Board of Directors may fix any location as the place for holding any special meeting of the Board called by them. Unless emergency issues require a special meeting without notice or a "short" notice, notice of a special meeting shall be given by five (5) days written notice to the last known email address of each director or to the last known mailing address of any Director if such Director does not maintain an email address, or by mutual consent of all of the Directors.

iii) Any Director may waive notice of any meeting, and the attendance of a Director at any special meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

iv) The business to be transacted at, or the purpose of, any special meeting of the Board of Directors shall be specified in the notice or waiver of notice of such meeting.

**Section 7(g) Quorum:** The presence, in person of a majority of current members of the Board of Directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

**Section 7(h) Vacancies:** Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at the annual meeting or at a special meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

**Section 7(i) Compensation:** Members of the Board of Directors shall not receive any compensation for their services as Directors.

**Section 7(j) Informal Action by Directors:** Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

**Section 7(k) Parliamentary Procedure:** Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

**Section 7(l) Rules and Regulations:** This Board shall have the power to make and adopt such rules and regulations, not inconsistent with the Articles of Incorporation or these Bylaws or any applicable statutes or ordinances or regulations of any governmental authority having jurisdiction over the Property as the word "Property" is defined in Section 14(a) below).

**Section 7(m) Removal of Directors:** A director may be removed from office, with or without cause, at a meeting called specially for that purpose by the affirmative vote of not less than 2/3 of the Board of Directors. Any vacancy created by such removal shall be filled as provided in the Bylaws of the Corporation. Each member of the Board of Directors must receive written notice of the proposed removal at least TEN (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from that particular office held by said Director.

#### **ARTICLE VIII - OFFICERS**

The officers of this Board shall be the President, Vice-President, Secretary and Treasurer. All officers must have the status of active members of the Board.

**Section 8(a) President:** The President shall be the chief executive officer of the Corporation. The President shall have the following duties, which duties may be expanded or reduced from time to time by a majority vote of the Board:

- i) The President shall preside at all meetings of the membership, the Board of Directors and the Executive Committee.
- ii) The President shall have the following duties:
  - (1) He shall have general and active management of the business of this Board.
  - (2) He shall see that all orders and resolutions of this Board are duly carried out by this Board in a timely manner.
  - (3) He shall confer with all other officers of this Corporation and see that their duties are performed in a timely manner.

- (4) He shall submit a report of the operations of the Corporation for the fiscal year to the Board and members at their Annual Meeting, and from time to time, shall report to the Board all matters that may affect the business and financial operations of this Corporation.
- (5) He shall be Ex-officio member of any and all standing committees and shall have the power and duties usually vested in the office of the President with regard to such standing committees.

**Section 8(b) Vice-President:** The Vice-President shall have the following duties, which duties may be expanded or reduced from time to time by a majority vote of the Board:

- i) He shall be vested with all the powers and shall perform all the duties of the President during any of absence or disability of the President.
- ii) He shall perform such duties as may, from time to time, be determined by the Board or delegated to him by the President.
- iii) He shall be responsible for the recruitment of voting members to the Corporation.

**Section 8(c) Secretary:** The Secretary shall have the following duties, which duties may be expanded or reduced from time to time by a majority vote of the Board:

- i) He shall maintain the Corporation's records of both this Board and the general Membership of the Corporation and shall make such information regarding the general Membership and/or this Board reasonably available to the Board and the general Membership.
- ii) He shall record all Board proceedings and votes and minutes of all Board meetings and proceedings in a minute book to be kept for that purpose.
- iii) He shall, in concert with the President, make the arrangements for all meetings of the Board, including the Annual Meeting of the Corporation, reserving the location for such meeting, preparing the agenda of any such meeting, sending out notices in such style and form and on such forums as the Corporation shall, in its usual and customary manner shall use to notify members of this Board and, where applicable, general Members.

- iv) He shall collect all proxies returned for any votes that may be made by Board Members at Board meetings or by general Members at Membership meetings and shall record all such proxy votes in the Minute Book for the specific meeting and specific topic being voted upon.
- v) He shall, at the direction of the President or any other officer of the Corporation, from time to time assist such officer in the preparation and mailing or posting of any official correspondence regarding any matter being discussed by, negotiated by, or voted upon by the Board.
- vi) He shall prepare the minutes of any meeting he attends and shall post the minutes in the Corporation's Minute Book and on any forum approved by the Board for the posting of the Board Minutes or Committee Minutes or minutes from the general Annual Meeting or any special meetings.
- vii) He shall file all required documentation, annually or as otherwise necessary, with the Illinois Secretary of State to maintain the good standing of the Corporation.

**Section 8(d) Treasurer:** The Treasurer shall have the following duties, which duties may be expanded or reduced from time to time by a majority vote of the Board:

- i) He shall have custody of the funds and securities of the Corporation and shall keep full and accurate accounts, receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board.
- ii) He shall manage or oversee the management of the financial affairs of the Corporation, including but not limited to the selection of a Certified Public Accountant to prepare and file in a timely manner, the Corporation's annual tax returns, W-2 or 1099 forms for employees of, or independent contractors working with the Corporation, and disperse corporate funds at the direction of the Board, reconcile bank accounts, and manage cash flow of the Corporation.
- ii) He shall be knowledgeable about any outstanding bills or debts owed by the Corporation; and he shall, with

the advice of the CPA Firm engaged by this Board (1) create and maintain systems for ensuring the Corporation's ongoing solvency and oversee the development of the Corporation's financial policies; and (2) develop policies such as, and including but not limited to, check writing authority, expense reimbursement, credit card usage, and petty cash policies, if applicable.

- iii) He shall, with the input and assistance of the said CPA firm and the members of the Board or any committees thereof, prepare or assist in the preparation of the annual budget of the Corporation, as well as regularly monitoring and comparing the actual revenues and expenses incurred against such budget. He shall present any budgets for approval by the Board before such budgets are implemented.
- iv) He shall maintain, or delegate to the CPA firm engaged by the Board, the maintenance of complete and accurate reports of the finances of this Corporation, including the reports and records of any special funds established by the Membership and/or by the Board in memory of any deceased member, and shall present such financial reports to the members of this Board at the Annual Board meeting or any special meeting or at any other time upon the request of the Board, and at the annual Membership meeting.
- v) It shall be the duty of the Treasurer to represent the Board in any Internal Revenue Service or Illinois Department of Revenue audits of the finances of the Corporation, and to assist the CPA firm engaged by the Corporation with respect to any such audits, in accordance with generally accepted accounting principles (GAAP).

**Section 8(e) Election of Officers:** The President, with the advice of the Board and the Nominating Committee, if such committee exists, shall submit prior to the annual meeting of the Board, the names of those persons for the respective offices of the Board. Nominations shall also be received from the floor after the report of the Nominating Committee, if such committee exists. The election of officers shall be held at the annual meeting of the Board. Those officers elected shall serve a term of one (1) year, commencing immediately following the meeting at which they were elected through the next annual, Provided However, that the Treasurer shall serve a term of two (2) years. Officers of the Executive Committee

shall be eligible to succeed themselves in their respective offices for two (2) terms only.

**Section 8(f) Removal of Officer:** The Board by a majority vote of the Board members voting at the meeting may remove any officer of the Board of Directors and elect a successor for the unexpired term. No officer of the Board of Directors shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty (20) days prior to the meeting at which motion shall be presented, setting forth the reasons of the Board for such expulsion.

**Section 8(g) Vacancies:** The President, or the Nominating Committee, if such committee exists, shall also be responsible for nominating persons to fill vacancies which occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Board at least two (2) weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred, Provided However, if the unexpired term is less than three (3) months, the vacancy shall be filled at the next Annual Meeting of the Board.

**ARTICLE IX -- BOARD COMMITTEES**

The Board shall create an Executive Committee and Finance Committee, and may create other committees as needed, such as a Nominating Committee, Fund-Raising Committee, Housing Committee, Public Relations Committee, Data Collection Committee, etc. The Board President shall appoint all committee chairs.

**Section 9(a) Executive Committee:**

The four officers named above shall serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and these Bylaws, the Executive Committee shall have all the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors and shall be subject to the direction and control of the full Board.

**Section 9(b) Finance Committee:** The treasurer shall be the chair of the Finance Committee, and the Finance Committee shall include three (3) other members of the Board of Directors. The Finance Committee shall be responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with the input and advice of the CPA firm engaged by the Board, and other Board members. The Board must approve the budget and all of the Corporation's expenditures must be within budget except for any emergency or non-reoccurring expenditures. Any major change in the budget must be approved by the Board or the Executive Committee.

Annual reports are required to be submitted to the Board showing income, expenditures, pending income and payments (receivables due to the Board) that have not been paid in a timely manner. The financial records of the Corporation are public information and shall be made available to the Board members, general Membership and, upon written request, to the Alpha Tau Omega National Organization.

## **ARTICLE X -- CONFLICT OF INTEREST AND COMPENSATION**

**Section 10(a) Purpose:** The purpose of the conflict of interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations.

### **Section 10(b) Definitions:**

- i) Interested Person: Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- ii) Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family has an ownership or investment interest in any entity with which the Corporation has a transaction or compensation arrangement; or a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
- iii) Compensation Interest: A compensation interest includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- iv) Conflict of Interest: A financial interest is not necessarily a conflict of interest as a person who has a financial interest may have a conflict of interest only if the Board of Directors or the Executive Committee decides that a conflict of interest exists.

### **Section 10(c) Procedures:**

- i) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person

must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

ii) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

iii) Procedures for Addressing the Conflict of Interest

(1) An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(2) The President of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(3) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

v) Violations of the Conflicts of Interest Policy:



- (1) If the Board or committee has reasonable cause to believe a Board or Committee member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (2) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 10(d) Records of Proceedings:** The minutes of the Board and all committees with Board delegated powers shall contain:

- i) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
- ii) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Section 10(e) Compensation:**

- i) A voting member of the Board who receives any compensation, directly or indirectly, from the Corporation for services, other than reimbursement for actual out-of-pocket expenditures where reimbursement for such out-of-pocket expenditures is appropriate, is precluded from voting on matters pertaining to that Board member's compensation.
- ii) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services, other than reimbursement for actual out-of-pocket expenditures where reimbursement for such out-of-pocket expenditures is appropriate is precluded

from voting on matters pertaining to that member's compensation.

- iii) No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, other than reimbursement for actual out-of-pocket expenditures where reimbursement for such out-of-pocket expenditures is appropriate, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

**Section 10(f) Annual Statements:** Each Board member, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person has (i) received a copy of the Conflicts of Interest Policy, (ii) has read and understands the Policy; (iii) has agreed to comply with the Policy; and (iv) understands the Corporation is charitable and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Section 10(g) Periodic Reviews:** To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- i) Whether compensation arrangements and benefits, if any, are reasonable, based on competent survey information, and the result of arm's length bargaining.
- ii) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**Section 10(h) Use of Outside Experts:** When conducting the periodic reviews as provided for in Subsection 10(g) above, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

## **ARTICLE XI - FINANCIAL MATTERS**

**Section 11(a) Contracts:** Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers to enter into any contract or to execute and deliver any Instrument in the name of the Corporation, and such authority may be general or confined to specific business.

**Section 11(b) Checks, Drafts, Etc:** All checks, drafts or other orders for the payment of money, notes, bonds or other evidence of indebtedness issued in the name of the Corporation shall be jointly signed in the name of the Corporation by the President and Treasurer.

**Section 11(c) Deposits:** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation as in such banks as the Board may select.

**Section 11(d) Fiscal Year:** The fiscal year of the Corporation shall be the first day of September of each and every year and shall end on the last day of August.

**Section 11(e) Accounting Systems and Reports:** The Board shall cause to be established and maintained, in accordance with generally accepted accounting principles (GAAP), an appropriate accounting system, including reports. A copy of the Corporate Book and Records of accounts shall be maintained in the office of the registered agent of the Corporation.

**Section 11(f) Gifts:** The Board may accept on behalf of the Corporation any contribution, gift bequest or devise for general purpose or any specific purpose of the Corporation.

## **ARTICLE XII -- INDEMNIFICATION**

**Section 12(a) General:** To the full extent authorized under the laws of the State of Illinois, the Corporation shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the Corporation, against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw of the Corporation, agreement, resolution of the Board of Directors, or otherwise.

**Section 12(b) Expenses:** Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

**Section 12(c) Insurance:** The Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power or obligation to indemnify such person against such liability under this Article.

### **ARTICLE XIII - DISTRIBUTIONS**

No part of the net earnings of the Corporation shall inure to the benefit of, or be payable or distributable to, its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to the Corporation and to make payments and distributions in furtherance of the purposes set forth in Article II above and further subject to the Conflicts of Interest Policy as set forth in Article X above.

### **ARTICLE XIV - DISSOLUTION OF CHAPTER**

**Section 14(a) Dissolution of Chapter:** In the event that the charter of Gamma Zeta Chapter of Alpha Tau Omega Fraternity is suspended or revoked for any reason, all the property, real and personal ("Property" herein), belonging to the Chapter and to this Corporation shall be immediately conveyed to Richmond Property Group, a non-profit Indiana corporation, and wholly owned subsidiary of Alpha Tau Omega National Fraternity organized to protect and preserve the real estate assets of the fraternity, or its assigns. Richmond Property Group may then hold, manage or sell the Property in its sole discretion.

Should Richmond Property Group decide, in its sole discretion, to liquidate the Property, the proceeds may be used to pay any outstanding liabilities of this Corporation and/or Chapter with the then remaining balance of such proceeds to be used in accordance with the Purpose as set forth in Article II of these By-laws.

**Section 14(b) Dissolution of Corporation:**

Should this Corporation be dissolved, all property, real and personal, ("Property" herein), belonging to this Corporation shall, prior to dissolution, be conveyed to Richmond Property Group, a non-profit Indiana corporation, and wholly owned subsidiary of Alpha Tau Omega National Fraternity organized to protect and preserve the real estate assets of the fraternity, or its assigns. Richmond Property Group may then hold, manage or sell the Property in its sole discretion.

**ARTICLE XV - EXEMPTION OF PRIVATE PROPERTY**

The private property of the directors, officers, and employees of the corporation shall be exempt from all debts, obligations and liabilities of the Corporation of any kind whatsoever and directors, officers, and other volunteers of this Corporation shall not be personally liable in that capacity, for a claim based upon an act of omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit. If State of Illinois law is hereafter changed to mandate or permit further elimination or limitation of the liability of the Corporation's directors, officers, employees, members and volunteers, then the liability of the Corporation's directors, officers, employees, members and volunteers shall be eliminated or limited to the full extent then permitted.

**ARTICLE XVI - AMENDMENTS TO THE ARTICLES OF INCORPORATION  
AND/OR TO THESE BYLAWS**

**Section 16(a) Articles of Incorporation:** The Articles of Incorporation may be amended in any manner at any regular or special meeting of the Board of Directors, provided that specific written notice of any proposed amendments of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given in writing to each director at least fourteen (14) calendar days in advance of such a meeting. All amendments of the Articles shall require the affirmative vote of a majority of directors then in office in order to be enacted. The appropriate form amending the Articles of Incorporation shall be filed by the President of the Board with the Illinois Secretary of State's office.

**Section 16(b) Bylaws:**

i) The Board of Directors may amend these Bylaws by a two-thirds (2/3rds) majority vote of Directors at the Board of Director's Annual Meeting or any Special Meeting. Written notice setting forth the proposed amendment or summary of the changes to be affected thereby shall be given to (i) each Board Member, (ii) the Chief Executive Officer of the Alpha Tau Omega National Fraternity, and (iii) the Chief Executive Officer of the Richmond Property Group at least twenty-one (21) calendar days in advance of such a meeting.

ii) Notwithstanding the foregoing, Article II, (Purpose); Article V, Section 5(a), (Membership); and Article XV (Dissolution) may not be altered, amended or repealed.

#### **ARTICLE XVII - CORPORATE SEAL**

The Corporation shall not have a corporate seal.

**(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)**

**ADOPTION OF BYLAWS**

We, the undersigned, are all of the Directors of this Corporation, and we hereby adopt the foregoing Bylaws, consisting of the \_\_ preceding pages, as the Bylaws of this Corporation.

\_\_\_\_\_  
\_\_\_\_\_ (printed name)

\_\_\_\_\_  
\_\_\_\_\_ (printed name)

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\_\_\_\_\_ (printed name)

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\_\_\_\_\_ (printed name)

**ADOPTED AND APPROVED** by the Board of Directors on this \_\_\_\_ day of October, 2018.

\_\_\_\_\_  
\_\_\_\_\_, President

ATTEST: \_\_\_\_\_, Secretary