

BYLAWS OF THE LAKE COUNTY ESTATE PLANNING COUNCIL

(A Nonprofit Corporation)

ARTICLE I DEFINITION

As used in these Bylaws, unless the context otherwise requires, the following terms shall have the meanings set forth below:

“Act” shall mean the Illinois General Not for Profit Corporation Action of 1986 (805 ILCS 105/101.01 et. seq.)

"Articles" shall mean the Articles of Incorporation or Charter of the Council, as filed with the State’s Secretary of State (as the same is amended, corrected or restated from time to time).

“Board of Directors” shall mean the board of directors of the Council. All corporate powers shall be exercised by or under the authority of, and the business, legal, financial, and other affairs of the Council managed under the direction of, its Board of Directors, subject to any limitation set forth in the Articles, these Bylaws and the Act.

“Bylaws” shall mean this document, as amended from time to time, which is the code or codes of rules (other than the Articles) adopted pursuant to the Act for the regulation or management of the affairs of the Council.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Council" shall mean the Lake County Estate Planning Council, the nonprofit corporation incorporated by the Articles and formed under these Bylaws pursuant to the Act.

“Director” shall mean a natural person serving on the Board of Directors of the Council, whether designated in the Articles or Bylaws or elected by the incorporators, and their successors and a natural person elected or appointed by the Members and given the title “Directors”, or any other name or title, to act as a member of the Board.

“File,” “filed,” or “filing” shall mean filed in the office of the Illinois Secretary of State. Also, sometimes referred to as “record,” “recorded,” or “recording”, as may be indicated by the meaning of the surrounding text.

“Individual” shall mean a natural person.

“Member” shall mean a natural person who practices, or has practiced, in one of the professions required for membership, has completely qualified for Membership as set forth in these

Bylaws, and has the right to vote for the election of a Director or Directors. An individual is not a Member by virtue or any of the following: (i) any rights such person has as a delegate as defined by the Act; (ii) any rights such person has to designate a Director or Directors; or (iii) any rights such person has as a Director.

“Membership” refers to the rights and obligations a Member or Members have pursuant to the Council’s Articles, Bylaws, and the Act.

“NAEPC” shall mean the National Association of Estate Planners & Councils.

“Officers” shall mean collectively, the President, the Secretary, and each other Officer, if any, elected by the Board of Directors to run the day-to-day operations of the Council.

“Principal Office” shall mean the office located in or out of the state of incorporation as so designated in the annual report filed pursuant to the Act.

“Proceeding” includes any civil suit and criminal, administrative, and investigatory action.

“Profession” shall mean individually any of the professions required for Membership in the Council as set forth in Section 4.1a. (Qualifications of Members, Profession) and collectively as all of the professions required for Membership in the Council as set forth in Section 4.1a. (Qualifications of Membership, Profession).

“Property” shall mean all property, real or personal, tangible or intangible, including money and any legal or equitable interest owned by the Council.

“Regulations” shall mean the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such regulations may be amended from time to time.

“State” shall mean the state of Illinois.

ARTICLE II PRINCIPAL OFFICE

The principal office of the Council shall be located at the place designated in the Articles. The Council may have such other offices, either within or without the State, as the Board of Directors may designate or as the business of the Council may from time to time require.

ARTICLE III MISSION, VISION AND OBJECTIVES, AND PURPOSES

Section 3.1 Mission. The Mission of the Council is to promote the multi-disciplinary approach to estate planning by supporting its Members, encouraging cooperation among Members to create a thorough and complete estate plan for clients, and providing education and learning opportunities for Members, and to increase public awareness of the importance of estate planning

by a team of professional advisors.

Section 3.2. Vision and Objectives. The Council seeks to provide opportunities for education and learning for its Members and the general public so as to promote proper estate planning methods and to provide confidence and guidance in the estate planning process.

Section 3.3 Purposes. The specific purposes of the Council are:

- a. To foster intelligent cooperation and a cordial understanding among the members as to the proper relationship between the functions of the attorney, certified public accountant, certified financial planner, chartered life underwriter, charitable fundraising executive, trust representative and other qualified professionals in the field of estate planning.
- b. To assist its members in keeping abreast of laws and conditions affecting business and personal taxation and the problems of estate accumulation and conservation so as to improve the knowledge of each member within his/her sphere; and with these objectives.
- c. To encourage its members to have as their ultimate goal the rendering of the best professional services to the public.

ARTICLE IV MEMBERS

Section 4.1 Qualifications of Members.

a. Profession. Membership in the Council shall be available to individuals licensed or otherwise certified by a licensing or certifying authority to practice in any of the following Professions:

1. Officers of trust companies or banks maintaining trust departments which are actively engaged in trust of estate operations and administration;
2. Chartered Life Underwriters;
3. Attorneys;
4. Certified Public Accountants;
5. Financial Planners (Certified Financial Planners (CFPs) certified through the Certified Financial Planner Board of Standards, Inc.; Chartered Financial Consultants (ChFCs) certified by the American College; Personal Financial Specialist (PFS) certified by the American Institute of Certified Public Accountants; or, other analogous designations sponsored by similar professional organizations);

6. Charitable Fundraising Executives (certified through the National Society of Fundraising Executives, Association of Fundraising Professionals, or other similar professional organizations);
7. Other professionals who are actively involved in the estate planning process, as determined on a case-by-case basis in the sole opinion of the Board of Directors.

b. *Active Practice.* Any individual applying for Membership in the Council shall be actively practicing estate planning in his/her particular Profession for at least three (3) of the past five (5) years.

c. *No Limitation on Profession Distribution.* Any number of individuals involved in one or more of the above Professions may become Members in the Council if the above qualification criteria is met and his/her application is affirmed in compliance with the Bylaws and the rules and regulations of the Board of Directors.

Section 4.2 Application.

a. *Submission of Application to the Board of Directors.* Any individual applying for Membership in the Council shall be nominated by a Member in his/her Profession required for Membership and at least one other Member. The nominated Member shall complete the application procedure as defined by the Council's Board of Directors and this Section 4.2 (Application) and submit said completed application to the Board of Directors for its review. Any controversy concerning Membership criteria and qualifications will be resolved by the Board of Directors, which has final authority in this regard.

b. *Approval Procedure.* The Board of Directors must approve a new Member application by a majority vote of all Directors.

Section 4.3 Term, Dues, and Renewal. All Members shall pay dues annually as determined by the Board of Directors of Directors. The term of Membership shall be one (1) year ending on the last day of the fiscal year. Membership shall be renewed automatically each year if the Member is in good standing with dues paid in full. A member who changes employment or has a change of location, but would otherwise qualify as a member in good standing, shall not be disqualified as an existing member. The Board of Directors shall make reasonable provisions for the proration of dues and Membership terms for Members joining during, but after the start of, a fiscal year.

Section 4.4 Termination of Membership.

a. *Delinquency.* A Member shall become delinquent if annual dues are not paid within two (2) months of the initial dues notification. A notice of delinquency shall be given and the Membership shall be terminated if payment is not made within thirty (30) days of notice. Any individual whose Membership has been terminated for reasons of delinquency may be reinstated according to procedures established by the Board of Directors. The Board of Directors may decline to reinstate Members whose Membership has been terminated for reasons of delinquency.

b. *Discipline.* By a two-thirds (2/3) affirmative vote, the Board of Directors may expel a Member for any cause which, in its judgment, is deemed sufficient, provided that said cause is fair and reasonable. No Member shall be expelled until he or she has been notified pursuant to Section 4.4f. (Termination of Membership, Procedure) herein. If no response is received within the time limit set forth in the notice, the Member may be automatically expelled. Upon expulsion under this section, all rights and privileges of Membership of the expelled Member are terminated and any Membership certificate shall be surrendered to the Council by the expelled Member. The Member shall be liable for all costs, including, but not limited to, attorney's fees, incurred by the Council in seeking recovery of any Membership certificate, collection of delinquent Membership dues, and in seeking injunctions prohibiting the expelled Member from claiming Membership after the expulsion.

c. *Death.* A Member's Membership in the Council is automatically terminated upon that Member's death.

d. *Incapacity.* A Member's Membership in the Council is automatically suspended upon that Member's incapacity (in the sole opinion of the Board of Directors). If the incapacity is cured or otherwise removed, then the incapacitated Member's suspension may be lifted and the Member reinstated upon petition to the Board of Directors for such reinstatement.

e. *Resignation.* A Member desiring to resign shall submit in writing notification to the Board of Directors for its action. This notification does not relieve the Member of any dues owed at the time of the notification. Membership shall be terminated upon the acceptance of the resignation by the Board of Directors.

f. *Procedure.* Any Member's rights may be terminated or suspended or the Member expelled pursuant to any procedure that is fair and reasonable and is carried out in good faith. The Member should be notified in writing at least fifteen (15) days prior to the expulsion or termination or suspension of his/her Membership and the reasons for said expulsion, termination, or suspension. At least five (5) days before the proposed expulsion of the Member or the proposed termination or suspension of the Member's Membership, the Member may provide to the Board of Directors a written explanation of why the proposed expulsion, termination, or suspension should not take place. The Board of Directors may also allow, but is not required to do so, the Member to give oral testimony before the Board of Directors on that Member's behalf to request that no expulsion, termination, or suspension be instituted. If a Board meeting is held to consider a written statement by the Member or an oral hearing is held, a decision shall be made and conveyed in writing to the Member within thirty (30) days of said Board meeting or hearing date. Immediate expulsion of a Member or termination or suspension of a Member's Membership may take place prior to the end of the fifteen (15) days notice period required above, if such termination or suspension is fair and reasonable taking into consideration all of the relevant facts and circumstances. Any written notice given by mail must be given by first-class or certified mail sent to the last address of the Member shown on the Council's records. Any proceeding challenging an expulsion, termination or suspension, including a proceeding in which defective notice is alleged, must be commenced within one (1) year after the effective date of the expulsion, termination or suspension.

g. *Obligation of Member for Dues.* A Member who has resigned, been expelled, or whose Membership has been terminated or suspended may be liable to the Council for dues, assessments

or fees as a result of obligations incurred or commitments made prior to such resignation, expulsion, termination, or suspension. Dues are incurred at the beginning of each fiscal year and no refunds shall be given for expulsion, termination, suspension or resignation, unless otherwise indicated in the Bylaw for certain rare circumstances. Rev. Model Nonprofit Corp. Act § 6.20(b) and § 6.21(e).

Section 4.5 Annual and Regular Meeting. The regularly scheduled meetings of the Council shall generally occur on the 2nd Thursday of each odd numbered month at the time and place as may be selected by Board of Directors, or at such other time and place as may be selected by the Board of Directors. The annual business meeting of the Council shall be held on the 2nd Thursday of November of each year where the Council holds its regular scheduled meetings, or at such other time and place as may be selected by the Board of Directors. Each Member shall receive at least fifteen (15) days' notice of each meeting and its location. At each regular meeting (including the annual meeting), the President and/or chief financial officer shall report on the activities and financial condition of the Council; the Members shall elect Directors and Officers, if necessary; and the Members shall consider and act upon such other matters as may be raised consistent with the notice requirements of Section 4.13 (Notice). If the Board of Directors feels that additional meetings are necessary or desirable to fulfill the purpose of the Council, then the Board of Directors may schedule other regular meetings of the Members other than just an annual business meeting, such as monthly, quarterly, or at such other intervals, regular or irregular, as the Board of Directors may choose. The failure to hold an annual meeting at a time stated in or fixed in accordance with the Bylaws does not affect the validity of any corporate action.

Section 4.6 Special Meetings. Special meetings of the Members of the Council may be called by the President, by a majority vote of the Board of Directors, or by at least ten percent (10%) of all the Members entitled to cast votes on any issue proposed to be considered at the proposed special meeting. Each Member shall be notified by mail (including regular mail and e-mail) of the purpose of the meeting not less than fifteen (15) days prior to the meeting date.

Section 4.7 Informal Actions by Members. Unless otherwise provided by law, any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if eighty percent (80%) of all Members entitled to vote on the action consent to taking such action without a meeting. The affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting is the act of the Members. The action must be evidenced by one (1) or more written consents describing the action taken, signed by at least eighty percent (80%) of the Members entitled to vote on the action in one or more counterparts, indicating each signing Member's vote or abstention on the action, and delivered to the Council for inclusion in the minutes or filing with the corporate records. If no record date is set as provided in Section 4.11 (Record Date) herein, then the record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent. Also, any action which can be taken at a regular or special meeting of the Members can be taken by written ballot.

Section 4.8 Rules of Order. *Robert's Rules of Order* (Newly Revised) shall govern the conduct of all meetings of the Members, the Board of Directors, the Officers, or any committees, except as outlined in these Bylaws and/or special rules adopted by the Council.

Section 4.9 Quorum.

a. *10% of Votes.* Unless the Act or the Articles provide for a higher or lower quorum, ten percent (10%) of the votes entitled to be cast on a matter must be represented at a meeting of Members to constitute a quorum on that matter.

b. *Amendment Quorum.* An amendment to the Articles or Bylaws that adds, changes, or deletes a quorum or voting requirement shall meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.

c. *Quorum If Notice Is Not Given of Matter.* Unless one-third (1/3) or more of the voting power is present in person or by proxy, the only matters that may be voted upon at an annual or regular meeting of Members are those matters that are described in the meeting notice.

Section 4.10 Voting. If a quorum is present when a vote is taken, the affirmative vote of a majority of Members present constitutes the act of the Members, unless a greater number than a majority of the Members present is required by the Articles, the Act, or the Bylaws. A Bylaw amendment to increase or decrease the vote required for any Member action must be approved by the Members by the same vote required to take action under the Bylaw voting requirements then in effect or proposed to be adopted, whichever is greater. A Member who is present at a meeting when corporate action is taken is deemed to have assented to the action unless:

1. He or she objects at the beginning of the meeting, or promptly upon his or her arrival, to holding the meeting or transacting business at the meeting;
2. He or she dissents or abstains from the action taken, which dissent or abstention is entered in the minutes of the meeting; or
3. He or she delivers written notice of his/her dissent or abstention to the presiding Officer of the meeting before its adjournment or to the Secretary immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 4.11 Record Date. The Board of Directors shall fix as the record date for the determination of Members entitled to notice of a Members' meeting, to demand a special meeting, to vote, or to take any other action, a date not more than seventy (70) days before the meeting or action requiring a determination of Members. If the Board of Directors fails to fix a record date for any meeting of Members, Members of record on the close of business on the business day next preceding the day of which notice is given shall be entitled to notice. A record date fixed for a Members' meeting is effective for any adjournment of such meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

Section 4.12 List of Members.

a. List of Members. After fixing a Record Date for a notice of a meeting, the Council shall prepare an alphabetical list of the names of all its Members who are entitled to notice of a meeting. The list must show the address and number of votes each Member is entitled to vote at the meeting. The Council shall prepare, on a current basis through the time of the Membership meeting, a list of Members, if any, who are entitled to vote at the meeting, but not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of Members. The list of Members must be available for inspection by any Member for the purpose of communication with other Members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the Council's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A Member, a Member's agent, or Member's attorney is entitled, upon written demand, to inspect and, subject to the limitations set forth in Section 4.12b (List of Members, Limitations on Use of List of Members), to copy the list, at a reasonable time and at the Member's expense, during the period it is available for inspection. The Council shall make the list of Members available at the meeting, and any Member, a Member's agent, or Member's attorney is entitled to inspect the list at any time during the meeting or any adjournment. If the Council refuses to allow a Member, a Member's agent, or Member's attorney to inspect the list of Members before or at the meeting (or copy the list as permitted by subsection b), a court of record having equity jurisdiction in the county where a Council's principal office (or, if none in this State, its registered office) is located, on application of the Member, may summarily order the inspection or copying at the Council's expense and may postpone the meeting for which the list was prepared until the inspection or copying is complete. Refusal or failure to make available the list of Members does not affect the validity of action taken at the meeting. Rev. Model Nonprofit Corp. Act § 7.20.

b Limitations on Use of List of Members. A Member's rights to inspect, copy, and use the List of Members prepared in compliance with this section shall be subject to the following limitations:

1. A Member may inspect and copy the records identified in Section 4.12a (List of Members) only if:
 - i. The Member's demand is made in good faith and for a proper purpose;
 - ii. The Member describes with reasonable particularity the purpose and the records the Member desires to inspect in the written demand for inspection; and
 - iii. The records requested are directly connected with this purpose.
2. Without consent of the Board of Directors, a List of Members or any part thereof may not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member. Without limiting the generality of the foregoing, without the consent of the Board of Directors, a List of Members or any part thereof may not be:
 - i. Used to solicit money or property unless such money or property will be used solely to solicit the votes of the Members in an election to be held by the Council;

- ii. Used for any commercial purpose (other than to refer business to another Member);
or
- iii. Sold to or purchased by any individual or entity.

Section 4.13 Notice. The Council shall notify Members of the date, time and place of each annual and special Members' meeting no fewer than fifteen (15) days (notice may be sent by email transmission, or first class or registered U.S. mail), unless otherwise noted in these Bylaws, nor more than sixty (60) days before the meeting date. The Council is required to give notice only to Members entitled to vote at the meeting. All notices of special meetings shall include a description of the purpose or purposes for which the meeting is called. A notice of any meeting (annual, regular or special) called for any of the following purposes shall include a description of said purpose(s) to be voted upon by the Members:

1. A conflict of interest transaction;
2. Indemnification of an Officer, employee, or agent;
3. Amendment of the Articles or Bylaws;
4. Merger with another entity;
5. Sale of substantially all of the assets of the Council other than in the ordinary course of activities;
6. Dissolution of the Council.

Section 4.14 Waiver of Notice. A Member may waive any notice required by the Act, the Articles, or the Bylaws before or after the date and time stated in the notice. The waiver must be in writing, be signed by the Member entitled to the notice, and be delivered to the Council for inclusion in the minutes or filing with the corporate records.

Section 4.15 Proxies.

a. *Appointment of a Proxy.* A Member may vote in person or by proxy. A Member may appoint a proxy to vote or otherwise act for him by signing an appointment form, either personally or by his attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other Officer or agent authorized to tabulate votes. An appointment is valid for eleven (11) months unless another period is expressly provided in the appointment form. Subject to the Council's right to accept or decline a Member's vote and any express limitation on the proxy's authority appearing on the face of the appointment form, the Council is entitled to accept the proxy's vote or other action as that of the Member making the appointment.

b. *Revocability.* An appointment of a proxy is revocable by the Member. A proxy cannot be irrevocable since all Membership interests are non-transferable. Appointment of a proxy is revoked by the Member appointing the proxy: (1) attending any meeting and voting in person, or (2) signing and delivering to the Secretary or other Officer or agent authorized to tabulate proxy votes either a written document stating that the appointment of proxy is revoked or a subsequent appointment of proxy form appointing a new proxy for said Member.

c. *Death or Incapacity of Member.* The death or incapacity of the Member appointing a proxy does not affect the right of this Council to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other Officer or agent authorized to tabulate votes before the proxy exercises his authority under the appointment. However, once the Council is aware of a Member's death or incapacity, the Member's voting rights are terminated or suspended as set forth in Section 4.4c (Termination of Membership, Death) or Section 4.4d (Termination of Membership, Incapacity).

Section 4.16 Transfer of Membership. Membership in the Council, or any rights thereunder, is not transferable.

Section 4.17 Member Professional Responsibilities. A Member of the Council is required to conduct himself/herself at all times in the following manner:

- a. To uphold the integrity and honor of the profession and to encourage respect for it. This involves promoting the continual development of the estate planning industry, as well as the Member's respective specialization.
- b. To be fair. This requires that a professional treat others as he/she would wish to be treated if in the other's position. It also means that a Member shall disclose conflicts of interest in providing estate planning services.
- c. To continually improve his/her knowledge, skill, and competence throughout his/her working life.
- d. To do the utmost to attain a distinguished record of professional service based upon diligence. This means that a Member must act with patience, timeliness, and consistency, and do so in a prompt and thorough manner in the service of others.
- e. To support the established institutions and organizations concerned with the integrity of his/her profession.
- f. To respect the confidentiality of any information entrusted to, or obtained in the course of, the Member's business or professional activities.
- g. To regulate himself or herself. That is, every Member has a two-fold duty to abide by his/her other applicable professional codes of ethics, and to also facilitate the enforcement of this Code of Professional Responsibility. This also means expeditiously reporting breaches of professional responsibility, including one's own, to the Council. The Council will make all reasonable efforts to diligently investigate each reported breach and report such breach to the proper professional governing body, if the investigation results in a breach that requires reporting or the Council feels, in its sole opinion, that such breach merits reporting to the professional governing body. Nothing herein shall be construed to make the Council responsible for reporting such findings to the general public. Confirmed breaches will result in discipline by the Council, which may include dismissal for the most egregious offenses.
- h. To comply with all laws and regulations, in particular as they relate to professional and business activities.
- i. To cooperate with other Members, and other estate planning professionals, to enhance and maintain the estate planning profession's public image, and to work together to improve the quality of services rendered.

ARTICLE V - BOARD OF DIRECTORS

Section 5.1 General Powers. All corporate powers shall be exercised by, or under the authority of, its Board of Directors. The business and affairs of the Council shall be managed under the direction of its Board of Directors.

Section 5.2 Number, Tenure, Election and Qualifications of Directors. The initial Directors shall be designated or appointed by the Incorporator at the organizational meeting to serve as members of the Board of Directors of this Council. Each Director shall be designated or appointed for a one (1) year term. Upon the death, resignation or removal for cause of any Director, the remaining members of the Board of Directors shall elect a successor. Additional Directors, if any, and all Directors subsequent to the initial Directors shall be elected by the majority vote of the voting Members of the Council at its annual business meeting, except that the Immediate Past President of the Council shall be an ex-officio unelected member of the Board of Directors and have full voting power. All Directors shall so be elected for a one (1) year term, unless a longer term is specified by the Board of Directors and there is no limit to the number of terms which can be consecutively served by any Director. The terms of these various Directors will not be staggered, unless the Board of Directors otherwise determines from time to time. Subsequent to the initial Directors, there shall be at least six (6) members of the Board of Directors of this Council, comprised of at least five (5) Directors elected by the Members as aforesaid and the Immediate Past President of the Council. Directors must be natural persons who are eighteen (18) years of age or older and are Members of the Council, but who need not be residents of the State.

Section 5.3 Profession Qualification of Directors. The duly elected Board of Directors shall be comprised of any Officer of the Council whose duties include service on the Board of Directors as set forth in Section 6.5 (Officers and Duties), regardless of Profession. Notwithstanding the above, the Board of Directors may be comprised of one Member from each of the Professions listed in subparagraphs 1 through 6 of Section 4.1a (Qualifications of Members), although no Director is required to represent a particular Profession if there is no Member willing to serve on the Board who is a member of that particular Profession.

Section 5.4 Resignation. A Director may resign at any time by delivering written notice to the Board's presiding officer (if the Board of Directors has elected a presiding officer other than the President), the President or the Secretary. The resignation shall be effective when it is delivered unless the notice specifies a later effective date.

Section 5.5 Removal of Director. A Director may be removed by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors at which a quorum is present, provided that the Director being considered for removal is provided with a written explanation as to why the Director is being removed, and that an opportunity for a hearing before the Board of Directors has been offered. In the event of a tie of such vote, the President of the Council may cast an additional vote to break the tie; or (2) by a majority vote of the Members of the Council eligible to vote for Directors, present and voting at any regular or special meeting at which a quorum is present and notice is given pursuant to Section 4.13 (Notice). Nothing in this section should be construed as requiring that a Director be removed only for cause.

Section 5.6 Vacancy on the Board of Directors. If a vacancy occurs on the Board of Directors, including a vacancy resulting from a removal or resignation of a Director, the Board of Directors may fill the vacancy. Even if the Directors remaining in office constitute fewer than a quorum of the Board of Directors, they may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office.

Section 5.7 Regular Meetings. The Board of Directors shall meet at least once a year immediately after the annual meeting of the Members. The Board of Directors may also schedule other regular meetings to be held directly before or after a regular meeting of the Members. Each Director shall be given at least two (2) days notice of the time and place of any Board of Directors meetings other than the annual meeting, which follows the Members' annual meeting and notice for that Members' meeting is sufficient. The Directors may provide, by resolution, the date, time and place for the holding of additional regular meetings without notice other than such resolution. Meetings may be held either in or out of the State.

Section 5.8 Special Meetings. Special meetings of the Directors, may be called by the presiding officer of the Board of Directors (if a presiding officer other than the President has been elected by the Board of Directors), the President, or at least twenty percent (20%) of the Directors then in office. The person or persons authorized to call special meetings of the Directors may fix the date and time for said special meeting, but the place shall be at the principal office of the Council unless otherwise agreed upon by a majority of the Directors.

Section 5.9 Notice.

a. *Regular Meetings.* Regular meetings of the Board of Directors, unless otherwise indicated in the Bylaws, may be held without notice.

b. *Special Meetings.* Special meetings of the Board of Directors must be preceded by at least two (2) days notice to each Director of the date, time, and place of the meeting.

c. *Adjourned Meetings.* Notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment does not exceed one (1) month in any one (1) adjournment.

Section 5.10 Waiver of Notice. A Director may waive any notice required before or after the date and time stated in the notice. The waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records. A Director's attendance at, or participation in, a meeting waives any required notice of the meeting unless the Director at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 5.11 Electronic Conference Meetings. The Board of Directors may permit any or all Directors to participate in a regular or special meeting by any means of communication by which all Directors participating may simultaneously communicate with each other during the meeting. The entire meeting may be conducted through such means. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 5.12 Quorum and Voting.

a. *Quorum.* A quorum of the Board of Directors consists of a majority of the Directors in office immediately before a meeting begins, except that if only 50% of the members of the Board of Directors are present at a meeting, a quorum is deemed to have occurred as long as the President of the Council is so present at such meeting. In no event may the Bylaws authorize a quorum of fewer than the greater of either one-third ($\frac{1}{3}$) of the number of Directors in office or two (2) Directors.

b. *Voting.* If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present constitutes the act of the Board of Directors, except that in the event of a tie of such vote, the President of the Council may cast an additional vote to break the tie;

Section 5.13 Committees of the Board of Directors. The Board of Directors may create one or more committees, which may consist of one or more members. All committee members shall be appointed by the Board of Directors. All committee members shall be appointed for such terms as set by the Board of Directors when creating or amending the committee. All committees serve at the pleasure of the Board of Directors. Each committee may exercise the authority of the Board of Directors as authorized by the Board of Directors except that a committee may not take action prohibited by the Act, which actions deal with (1) authorizing distributions; (2) approving or recommending to the Members the dissolution of the Council, merger of the Council with another entity, or the sale, pledge or transfer of substantially all of the Council's assets; (3) electing, appointing, or removing any Directors or filling vacancies on the Board of Directors or any of its committees; or (4) adopting, amending, or repealing the Articles or Bylaws. The Committee shall follow all Bylaw provisions relating to Board conduct, particularly those which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors, and any additional rules and regulations promulgated by the Board of Directors relating to committees in general or that particular committee.

Section 5.14 Actions Without a Meeting of the Board of Directors.

a. *Action Without a Meeting.* Action may be taken by the Directors without a meeting. If all Directors consent to taking such action without a meeting, the affirmative vote of the number of Directors that would be necessary to authorize or take such action at a meeting is the act of the Board of Directors. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each Director, and included in the minutes filed with the corporate records reflecting the action taken.

b. *Effective Date.* Action taken under this section is effective when the last Director signs the consent, unless the consent specifies a different effective date.

c. *Effectiveness.* A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

Section 5.15 Standing Rules and Regulations (Policies). A standing rule or policy of the Board of Directors is defined as a definite course or method of action selected to guide and determine present and future decisions of the Council. Officers shall follow all standing rules or policies in carrying out their duties in conducting the business and affairs of the Council. Standing rules, regulations, or policies may be enacted only when approved by an affirmative vote at two (2)

consecutive meetings of the Board of Directors. Thereafter, changes in, additions to, or deletions from, standing rules or policies may be accomplished only when approved by an affirmative vote at two (2) consecutive meetings of the Board of Directors. The Board of Directors may suspend, for a set period of time not exceeding thirty (30) days, any standing rule or policy, but only upon three-fourths ($\frac{3}{4}$) vote of those present.

ARTICLE VI OFFICERS

Section 6.1 Number. The Officers of the Council shall be the President, President Elect, Vice President, Secretary and Treasurer, each of whom shall be elected to such office by the Members concurrently with their election as Directors under Section 5.2 (Number, Tenure, Election and Qualifications of Directors). The President shall constitute the Chairman of the Board of Directors. Such other Offices, as may be deemed necessary, may be created by the Board of Directors in its discretion. Any Officer not elected by the Members shall not serve automatically on the Board of Directors, but may be elected separately as a Director. The same individual may simultaneously hold more than one (1) office in the Council.

Section 6.2 Nomination, Election, and Term of Office.

a. *Nomination and Election.* The Board of Director, or a committee authorized to nominate Officers by the Board of Directors and in accordance with procedures approved by the Board of Directors, shall nominate Members of the Council who are eligible to serve as an Officer for particular offices. The Board of Directors shall submit its slate for election at or prior to the annual meeting. The Members shall elect the President, President Elect, Vice President, Secretary and Treasurer of the Council at its annual business meeting concurrently with their election as Directors under Section 5.2 (Number, Tenure, Election and Qualifications of Directors) and according to the election procedure in such Section 5.2.

b. *Term of Office.* The term of office for all elected Officers shall run concurrently with their respective term as Director.

c. *Contract Rights.* The appointment or election of an Officer does not itself create contract rights.

Section 6.3 Removal and Resignation. Any Officer elected by the Members may be removed or resign in the same manner as Directors under Section 5.4 (Resignation) and Section 5.5 (Removal). Any Officer, committee member, or agent appointed or approved by the Directors may be removed by the Directors whenever, in their judgment, the best interests of the Council would be served thereby. Nothing in this section should be construed as requiring that an Officer be removed only for cause. Any removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 6.4 Officers and Duties.

a. *President.* The President shall be the chief executive officer of the Council and, subject

to the control of the Directors, shall, in general, supervise and control all of the business and affairs of the Council. The President shall, when present, preside at all meetings of the Directors unless someone other than the President is elected as Chairman of the Board of Directors, in which case said Chairman shall preside. The President may sign, with the Secretary, or any other proper Officer of the Council thereunto authorized by the Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Directors have authorized to be executed, except in cases where the execution thereof shall be expressly delegated by the Directors or by these Bylaws to some other Officer or agent of the Council, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Directors from time to time.

b. *President Elect.* The President Elect shall be responsible for carrying out the duties of the President in the event of the President's inability to do so, together with such additional duties as may be assigned by the President or Board of Directors. The President Elect shall, unless otherwise provided by vote of the membership, succeed to the office of President upon the expiration of the one-year term of election as President Elect. At its annual business meeting any voting member of the Council may make a motion, which must be seconded, to open the floor to nomination for additional persons to be elected to the office of President. Upon majority vote in favor of the motion, the name or names of additional persons may be placed in nomination for the office of President, which position shall be elected as provided by this Article and Section 5.2 (Number, Tenure, Election and Qualifications of Directors).

The President Elect (unless determined otherwise by the Board of Directors) shall also be designated the Program Chair to arrange professional speakers to make seminar presentations at each regular meeting of the Council. Such speakers throughout the year should generally reflect the interests of each of the Professions listed in subparagraphs 1 through 6 of Section 4.1a (Qualifications of Members), although no speaker need be secured to represent a particular Profession if there is no available speaker for that Profession. By way of example and not limitation, the duties of the Program Chair shall include collecting the speaker's biography; verifying and coordinating the speaker's Audio/Visual needs; making sure the speaker is aware of the time and location of the meeting; distributing handouts and evaluations; coordinating education credits for the various Professions; giving a short introduction for the speaker; controlling the length of the presentation and giving the speaker cues as to such length and bringing the presentation to an end on time; coordinating Question and Answer sessions, and thanking the speaker at the end of the presentation.

c. *Vice President.* The Vice President shall be responsible for carrying out the duties of the President in the event of the inability of both the President and the President Elect to do so, together with such additional duties as may be assigned by the President or Board of Directors. The Vice President shall, unless otherwise provided by vote of the membership, succeed to the office of President Elect upon the expiration of the one-year term of election as Vice President. At its annual business meeting any voting member of the Council may make a motion, which must be seconded, to open the floor to nomination for additional persons to be elected to the office of President Elect. Upon majority vote in favor of the motion, the name or names of additional persons may be placed in nomination for the office of President Elect, which position shall be elected as provided by this Article and Section 5.2 (Number, Tenure, Election and Qualifications of Directors).

The Vice President (unless determined otherwise by the Board of Directors) shall also be designated the Membership Chair. The Membership Chair shall be responsible for the retention of existing members and recruitment of new members. The Membership Chair shall maintain a current and accurate database of the Council's membership and potential members, develop a membership application form, maintain the List of Members under Section 4.12 (List of Members) and annually distribute a membership directory to all members.

d. *Secretary.* The Secretary shall keep the minutes of the Directors' meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws, or as required, be custodian of the corporate records and of the seal of the Council, and keep a register of the post office address of each Director (which address shall be furnished to the Secretary by such Director), and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Directors.

e. *Treasurer.* If required by the Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Directors shall determine. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Council; receive and give receipts for moneys due and payable to the Council from any source whatsoever, and deposit all such moneys in the name of the Council in such banks, trust companies or other depositories as shall be selected in accordance with these Bylaws, and, in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Directors.

f. *Chairman of the Board of Directors.* The Chairman of the Board of Directors, if someone other than the President, shall preside at all meetings of the Directors as the presiding officer. The Chairman of the Board of Directors shall be responsible for the implementation of policies established by the Board of Directors. The Chairman of the Board of Directors shall have such duties as the Board of Directors may, from time to time, designate.

g. *Immediate Past President.* Upon completion of his term, the President shall become the Immediate Past-President and shall carry out duties assigned by the new President. If the Immediate Past President is permanently unable to perform the duties of the office, the most recent available Past President shall be asked to serve.

ARTICLE VII

GENERAL STANDARDS OF CONDUCT

Section 7.1 Standards of Conduct for Directors and Officers. A Director or Officer shall discharge his or her duties as a Director or Officer, including his or her duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the best interests of the Council. The Director or Officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

a. One or more Officers or employees of the Council whom the Director reasonably believes to be reliable and competent in the matters presented;

b. Legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or

c. A committee of the Board of Directors of which he is not a member if the Director reasonably believes the committee merits confidence. (Only for Directors).

A Director or Officer is not acting in good faith if said Director or Officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted.

Section 7.2 Loans to Directors or Officers. The Council may not lend money to, or guarantee the obligation of, a Director or Officer of the Council. The fact that a loan or guaranty is made in violation of this section does not affect the borrower's liability on the loan.

Section 7.3 Liability for Unlawful Distributions.

a. *Director Liability.* A Director who votes for, or assents to, a distribution made in violation of the Act or the Articles is personally liable to the Council for the amount of the distribution that exceeds what could have been distributed without violating such section or the Articles if it is established that the Director did not perform such Director's duties in compliance with the Act, the Articles or these Bylaws. In any proceeding commenced under this section, a Director has all of the defenses ordinarily available to a Director.

b. *Contribution.* A Director held liable under Section 7.3a (Liability for Unlawful Distributions, Director Liability) for an unlawful distribution is entitled to contribution from every other Director who could be held liable under Section 7.3a (Liability for Unlawful Distributions, Director Liability) for the unlawful distribution and each person who received an unlawful distribution for the amount of the distribution, whether or not the person receiving the distribution knew it was made in violation of the Act or the Articles.

Section 7.4 Compliance with State and Federal Laws. Directors and Officers shall at all times be in compliance with various provisions of applicable State and federal laws governing nonprofit organizations.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 8.1 Contracts. The Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Council, and such authority may be general or confined to specific instances.

Section 8.2 Loans. No loans shall be contracted on behalf of the Council and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Directors. Such authority may be general or confined to specific instances.

Section 8.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Council shall be signed by such Officer or Officers, agent or agents of the Council and in such manner as shall from time to time be determined by resolution of the Directors.

Section 8.4 Deposits. All funds of the Council not otherwise employed shall be deposited from time to time to the credit of the Council in such financial institution(s) as the Board of Directors shall designate.

ARTICLE IX CONFLICT OF INTEREST POLICY

Section 9.1 Conflict of Interest Transaction.

a. *Definition.* A conflict of interest transaction is a transaction with the Council in which a Director of the Council has a direct or indirect interest.

b. *Methods of Acceptance of Transaction.* A conflict of interest transaction is not voidable by the Council or the basis for imposing liability on a Director solely because of a Director's interest in the transaction if any one (1) of the following is true:

1. in advance of the vote of the Board of Directors or a committee of the Board of Directors, the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or committee of the Board of Directors and the Board of Directors or committee authorized, approved, or ratified the transaction;
2. in advance of the vote of the Members, the material facts of the transaction and the Director's interest were disclosed or known to the Members and they authorized, approved, or ratified the transaction;
3. or the transaction was fair at the time it was entered into.

Section 9.2 Indirect Interest. A Director or Officer of the Council has an indirect interest in the transaction if, but not only if, another entity in which the Director or Officer has a material financial interest in is a party to the transaction; another entity in which the Director or Officer is a general partner is a party to the transaction; or another entity of which the Director or Officer is a governor, director, manager, officer, or trustee is a party to the transaction. All such interest should be disclosed to and considered by the Board of Directors.

Section 9.3 Authorization, Approval, and Ratification Under Section 9.1b1 Above. A conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors who have no direct or indirect interest in the transaction ("Disinterested Directors"), but a transaction may not be authorized, approved, or ratified by a single Director. If a majority of the Disinterested Directors vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence

of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under this section, unless otherwise provided.

Section 9.4 Authorization, Approval, and Ratification Under Section 9.1b2 Above.

A conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Members. Votes cast by or voted under the control of a Director who has a direct or indirect interest in the transaction, and votes cast by or voted under the control of an entity described in Section 9.2 (Indirect Interest), may not be counted in a vote of the Members to determine whether to authorize, approve, or ratify a conflict of interest transaction under this section. The vote of these Members, however, is counted in determining whether the transaction is approved under other sections of the Act. A majority of the voting power, whether or not present, that are entitled to be counted in a vote on the transaction under this section constitutes a quorum for the purpose of taking action under this subsection.

ARTICLE X

FISCAL YEAR

The fiscal year of the Council shall begin on the 1st day of January of each year.

ARTICLE XI

SEAL

The Directors may, at their election, provide for a corporate seal which, if provided, shall be circular in form and shall have inscribed therein the name of the Council, the state of incorporation, the year of incorporation and the words, "Corporate Seal". It may be embossed, rubber stamped or computer generated.

ARTICLE XII

MEMBERSHIP IN NAEPC

The Council may be a member of the National Association of Estate Planners and Councils ("NAEPC") and abide by all rules and regulations set forth by said NAEPC.

ARTICLE XIII

AMENDMENT

All amendments to the Articles and these Bylaws shall be in compliance with the Act, as amended from time to time.