

BYLAWS
OF
ROTARY CLUB OF JOLIET, INC.

ARTICLE I
NAME

Section 1.01. Organizational Name. The name of this organization shall be the Rotary Club of Joliet, Inc, an Illinois not-for-profit corporation. The Club is also commonly known as the “Joliet Rotary Club” or “Joliet Rotary”.

ARTICLE II
DEFINITIONS

Section 2.01. “Annual Meeting” means a Club meeting scheduled for the second Tuesday in December of each year to elect Officers and members of the Board or a date as determined by the Board.

Section 2.02. “Board” means the Board of Directors of this Club.

Section 2.03. “Club” means the Rotary Club of Joliet, Inc.

Section 2.04. “Council of Past Presidents” means those Members who are presently in Good Standing and have served as an Immediate past Club President. The most Immediate Past President shall be the chair of the Council of Past Presidents.

Section 2.05. “Director” means a Member of the Club’s Board of Directors.

Section 2.06. “Good Standing” means a Member whose financial obligations to the Club are current and not in arrears.

Section 2.07. “Member” means a Member in Good Standing of the Club, other than an honorary member.

Section 2.08. “Notice” means a writing or communication which shall be deemed effectively given by any of the following methods: (a) personal delivery to the Member, or (b) via facsimile transmission, or (c) having been sent via regular, registered or certified United States mail, and if sent via registered or certified mail, return receipt requested, postage prepaid, or (d) a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, or (e) electronic mail, or (e) any other verifiable electronic means.

Section 2.09. “Officers” means the President, President-Nominee, President-Elect, Secretary, and Treasurer.

Section 2.10. “Reserve” means those funds accumulated and segregated from operating funds.

Section 2.11. “RI” means Rotary International.

Section 2.12. “Year” means the fiscal year of the Club being a twelve (12) month period that begins on July 1.

ARTICLE III **BOARD**

Section 3.01. Board of Directors. The Club’s governing body shall be its Board of Directors, consisting of ten (10) Members, four (4) of which are at large Directors, elected or appointed in accordance with Article IV of these Bylaws, and the five (5) Officers plus the Immediate Past President.

Section 3.02. Quorum. A majority of the Directors then in office shall constitute a quorum of the Board.

Section 3.03. Regular Meetings of the Board. Regular meetings of the Board shall be held once each month at a time and place to be selected by the President, provided that all regular meetings must be within a five (5) mile radius of the city limits of Joliet, Illinois, as amended from time to time. Regular meetings of the Board may be held outside of this area if approved by the entire sitting board. All regular board meetings shall adhere to *Robert’s Rules of Order* as amended from time to time unless otherwise provided for in the law, these bylaws or rules adopted by this Board.

Section 3.04. Special Meetings. Special meetings of the Board may be convened by either the President or by two (2) members of the Board. The Notice for the special meeting shall set forth the purpose or purposes of the meeting and the Notice shall be delivered to the Board members at least forty-eight (48) hours prior to the time of such meeting. The location of the special meeting must be within a five (5) mile radius of the city limits of Joliet, Illinois, as amended from time to time. No business shall be transacted at such special meeting except as specified in the Notice. All special meetings shall adhere to Robert’s Rules of Order as amended from time to time.

Section 3.05. Proxy. There shall be no voting by proxy or absentee ballot.

Section 3.06. Budget. At the Director’s meeting in July, the Directors shall adopt a balanced budget for the upcoming fiscal year which shall stand as the limit of expenditures for these purposes.

Section 3.07. Accessing Reserve. If the Board believes that all or any part of the Reserve shall be expended, the Board must secure the majority vote of the Members at a regularly scheduled Club meeting.

Section 3.08. Authority to Borrow Fund. The Board shall have no authority to borrow funds from any individual, corporation, firm, entity or association.

Section 3.09. No Compensation. No Board Member shall be paid any compensation for services rendered as a Board Member. A Board Member may be reimbursed for budgeted and substantiated expenses incurred on behalf of the Club.

Section 3.10. Professional Services. The Board shall possess the authority to contract for professional services in accordance with this Section 3.10. Except where impossible or extremely difficult, a minimum of two (2) proposals are to be received and compared. Priority for professional services may be granted to Club Members. "Professional Services" shall include but are not limited to accounting services, auditing services, legal services, insurance services or administrative services. Notwithstanding any other provision in these bylaws, a Board member may be compensated for the rendering of Professional Services. The Board need not accept the lowest bid submitted.

Section 3.11. Executive Session. The Board, by a majority vote of the Board Members present, may elect to go into executive session after first stating the purpose of the executive session. The Board may vote in an executive session and report any such actions taken after the executive session is closed and the regular board meeting is reconvened.

Section 3.12. Informal Action by the Board. Any action to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all Directors entitled to vote with respect to the subject matter thereof. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of all Directors. All of the approvals evidencing the consent shall be delivered to the Secretary to be filed with the corporate records. The action taken shall be effective when all the Directors have approved and signed the consent, unless the consent specifies a different effective date. Any such consent signed by all of the Directors shall have the same effect as a unanimous vote and may be stated as such in any document filed with the Illinois Secretary of State.

Section 3.13. Financial Controls. At least once a year, the Board shall review the effectiveness of controls in place and determine the need for and scope of an external financial audit. The Board may delegate this function to an ad hoc committee of Club Members.

Section 3.14. Board Authority. The Board shall hold, manage, sell and lease personal and real property and shall invest and re-invest corporate funds in any type of property or security which the Board may deem advisable whether or not such investments are of the type or character authorized by the Laws of the State of Illinois for the investment of trust funds, and to enter into such contracts and execute such conveyances, instruments, and releases as may be necessary and proper to carry out the objects and purposes of the Club.

Section 3.15. Tax-Exempt Status. Notwithstanding any other provision of these bylaws, the Club shall not carry on any activities not permitted to be carried on by an entity exempt from federal income tax under the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law).

Section 3.16. Removal from the Board. The Board, by a two-thirds (2/3) vote, may remove any Director or Officer for cause.

Section 3.17. Gifts. The Board may accept or reject, on behalf of the Club, any contribution, gift, bequest or devise (generally “Gift”) whether the Gift is unrestricted or restricted. The Board shall not be obligated to state any reason or reasons for either accepting or rejecting a Gift.

Section 3.18. Agendas. The agenda for each regular Board meeting may include any matter relating to the affairs of the Club and must provide an opportunity for the introduction of new business by a Director. The agenda for each special Board meeting must be limited to those matters identified by the notice of the meeting.

Section 3.19. Account Signatories. Within ten (10) business days after the beginning of each Fiscal Year, the Board shall designate the signatories on all Club accounts.

Section 3.20. Electronic Payment Fee. Should a Member pay an amount required under these bylaws, pay for an event sponsored or co-sponsored by the Club or purchase an item offered by the Club using electronic payment, the Board may add a convenience fee equal to or greater than the fee charged by the entity processing the payment. This convenience fee is in addition to any other fees charged under these bylaws.

Section 3.21. Tie Votes. In the event that there is a tie vote at a Board meeting, the President shall vote to break the tie vote. If the President is unavailable to attend a Board meeting, and a tie vote results, the person presiding over the meeting shall vote to break the tie vote.

ARTICLE IV
ELECTION OF DIRECTORS AND OFFICERS

Section 4.01. Nomination Committee. The Nomination Committee shall be comprised of five (5) Members, being the President, the President-Elect, and three (3) other Members selected by the President from the Membership at large, provided that the three (3) Members at large shall reflect the diversity of the Club at the time of selection. The three (3) Members at large shall only serve on the Nomination Committee once every three (3) Years. The Secretary shall maintain an ongoing list of the Members at large for all years after this amended Section is adopted. The Chairperson of the Nomination Committee shall be appointed by the President. Members appointed to the Nomination Committee and the immediate Past President are not eligible to be nominated to the position of either a Director or a Club officer for the year that they serve.

Section 4.02. Steps in the Nomination Process for Directors and Officers.

A. **Step One.** At least sixty (60) calendar days prior to the Annual Meeting, the Nomination Committee shall meet for the purpose of recommending to the membership the names of the President-Elect, President-Nominee, Secretary, Treasurer and the names to fill the vacancies on the Board of Directors.

B. **Step Two.** The Nomination Committee shall forward a Notice addressed to both the President and Secretary of its recommendations at least forty (40) calendar days prior to the Annual Meeting.

C. Step Three. The Secretary shall, at least thirty (30) calendar days prior to the Annual Meeting, provide Notice to the Members of the recommendations received from the Nomination Committee.

D. Step Four. The required Notice in Step Three shall specifically contain a section notifying the Members of their right to make an additional nomination or nominations for any position, if they so desire. This specific section shall also notify the Members that all nominations from the Members shall be returned to the Secretary within fourteen (14) calendar days prior to the Annual Meeting.

E. Step Five. Within four (4) business days after the expiration of time for submitting nominations from the Members, the Secretary and such other person or persons as may be appointed by the President will tally the nominations received from the Members.

F. Step Six. The Secretary shall then prepare an election ballot containing the offices to be filled and the names recommended by the Nomination Committee and the name of the Member or Members designated by a Member's recommendation for each position. The nominees for each position shall appear in alphabetical order, by surname. A Member nominated by a Member shall give Notice to the Secretary of that Member's acceptance or declination of the nomination prior to the printing of a ballot. If there is one or more names for an office, the Members shall receive advance Notice of the additional nominees.

Section 4.03. The Election Procedure.

A. The Members shall complete their voting prior to the completion of the Annual Meeting. If there is no contested election, a Motion for a voice vote may be introduced at the Annual Meeting and the Motion must receive a second. Such Motion shall be approved by a majority vote of the Members present at the Annual Meeting. All votes shall be collected by the Secretary and shall be tallied by the Secretary and any Member or Members appointed by the President prior to the completion of the meeting. The meeting shall not be adjourned nor recessed until the President has announced the name of the Member for each position who received the majority of votes and those Members shall be declared as having been so elected. If a vote for a particular office results in a tie vote, the Members shall vote at the following weekly meeting of the Club unless that date is a federal or State of Illinois holiday, in which case the election shall occur on the following weekly meeting that is not a federal or State of Illinois holiday. At the Annual Meeting, a written ballot, if necessary, shall be distributed by the Secretary to all Members attending the Annual Meeting, provided, however, a written ballot is required if there is a contested election for any position.

B. At the Annual Meeting, a written ballot shall be distributed by the Secretary to all Members attending the Annual Meeting if there is a contested election for any position. No nominations from the floor shall be allowed at the Annual Meeting.

C. All Members so elected shall commence office on the 1st day of July next following the Annual Meeting.

D. No absentee ballots shall be permitted.

Section 4.04. Board of Director Vacancy. The President shall recommend, for approval by the Board, a Member or Members to fill any vacant position on the Board. The Board can reject any such Member proposed, and the Board, at their discretion, can elect not to fill the remaining term of any such vacancy.

Section 4.05. Officer-Elect or Director-Elect Vacancy. A vacancy in the position of any Officer-elect or Director-elect shall be filled by action of the remaining members of the Board of Directors-elect and those current Board members whose terms will not expire on the 1st of July.

Section 4.06. Appointment of Successor Past President. In the event of the death or resignation of the most immediate Past President serving on the Board, or in the event any such immediate Past President is no longer an active member of the Club, the President may appoint any Past President to fill the former immediate Past President's unexpired term on the Board.

Section 4.07. Term of Office.

A. All Board Members elected as officers shall serve for a one (1) year term except that the Secretary and the Treasurer may be re-elected to serve for unlimited consecutive one year terms.

B. All Directors who are not officers shall be known as "At Large Directors" and shall serve for a term of two (2) consecutive years from July 1 except for those At Large Directors who have been appointed to complete an unexpired term of an At Large Director. An At Large Director who is completing an unexpired term of an At Large Director who was unable to complete his or her full term shall complete the unexpired term of the At Large Director and may serve an additional term of two (2) consecutive years. By way of illustration and not limitation, if the unexpired term of an At Large Director is one year, the person filing the unexpired term may serve the one year period and be elected to serve for two (2) consecutive years meaning that a person may serve for three (3) consecutive years or a longer period.

C. The President Elect shall serve one (1) year as President Elect after which that person shall immediately serve as President, provided that the President Elect has met the qualifications of office of the Presidency. Under extremely limited circumstances, set forth in Section 4.08 below, the President may serve for an additional one year term or until a successor President has been selected under Section 4.08 below.

D. The Immediate Past President shall serve a one year term concurrently with the President, and after completing the person's term as Immediate Past President, that person shall step down from the Board.

Section 4.08. Qualifications.

A. Each Officer and Director shall be a member in Good Standing of this Club. A candidate for the office of President shall have served as a member of this Club for at least one year prior to being nominated for such office, except where service for less than a full year may be determined by the District Governor to satisfy the intent of this requirement. The President-Elect shall attend the District Presidents-Elect training

seminar and the District Conference unless the Governor-Elect has excused the President-Elect from both the Presidents-Elect Training seminar and the District Conference. If the District Governor-Elect has excused the President-Elect from attending both the District's Presidents-Elect Training seminar and the District Conference in a writing signed by the District Governor Elect, the President-Elect shall secure other training as authorized by the District Governor-Elect. If the President-Elect does not attend the Presidents-Elect Training seminar and the District Conference and has not been excused by the District Governor-Elect in a writing signed by the District Governor Elect , or has been excused but fails to secure other authorized training as approved in a writing signed by the District Governor-Elect, the President-Elect shall not serve as Club President. In such event, the current President shall continue to serve until a successor who has attended a Presidents-Elect training seminar and District Conference or training deemed sufficient by the Governor-Elect has been duly elected.

B. The President-Nominee shall also attend President-Elect training seminar and the District Conference. If excused from these training seminars by the District Governor, the President-Nominee shall secure other training as authorized by the District Governor-Elect.

C. In the event that the current Club President elects not to continue serving or is unable to continue serving as Club President, the Council of Past Presidents shall select a Past President to serve as Club President until the next Club President is willing and able to serve.

ARTICLE V **DUTIES OF OFFICERS**

Section 5.01. President. It shall be the duty of the President to preside at all regular and special meetings of both the Club and the Board. The President shall also be an *ex officio* member of all committees and as such has all the privileges of membership.

Section 5.02. President-Elect. It shall be the duty of the President-Elect to:

A. Preside at all regular and special meetings of the Club and the Board in the absence of the President and to perform such other duties as may be assigned by the President;

B. Prior to the upcoming fiscal year, the President- Elect shall select and preside over a committee that prepares a budget of estimated income and expenses with the required Reserve for the upcoming fiscal year which shall be voted upon by the Board at the first meeting in July;

C. To select a Sergeant-at Arms at least sixty (60) calendar days prior to his or her taking office as President; and

D. To oversee and coordinate responsibility for new Members.

Section 5.03. President-Nominee. It shall be the duty of the President-Nominee to preside at all regular and special meetings of both the Club and the Board in the absence of the President

and President-Elect, and to perform such other duties as ordinarily pertain to this office and as may be assigned by the President.

Section 5.04. Secretary. It shall be the duty of the Secretary to:

- A. Keep the records of the membership;
- B. Send out annual dues Notices, record dues payments and deliver dues payments to the Treasurer in a timely manner;
- C. Record the attendance at meetings of both the Club and the Board;
- D. Send out Notices of regular and special meetings of the Club, Board and committees within the required time period as set forth in these bylaws;
- E. Record and preserve the minutes of the regular and special meetings of the Board, and where necessary, of the Club;
- F. Make all the required reports to RI on the dates required by RI of each year;
- G. To distribute minutes of all regular and special meetings of the Board within twenty-five (25) calendar days after the date of the meeting, and to distribute minutes of all weekly meetings of the Club to the Club Members within thirty (30) calendar days after the date of the meeting, if such minutes are taken at a Club meeting;
- H. Make the report of changes in membership, which shall be made to the General Secretary of RI;
- I. Forward the monthly report of attendance at the Club meetings to the District Director within fifteen (15) calendar days following the last Club meeting of the month;
- J. Collect and remit to RI subscriptions to THE ROTARIAN;
- K. The Secretary may delegate any of the above duties, but (i) the Secretary shall remain responsible that all such delegated duties are performed in an appropriate and timely manner and (ii) any delegation of duties to a paid individual shall be funded in the yearly budget before any delegation of duties can occur; and
- L. To perform such other duties as usually pertain to this office and which may be assigned by the President. All records required of the Secretary shall be maintained on an electronic format whenever possible.

Section 5.05. Treasurer. It shall be the duty of the Treasurer to:

- A. Deposit, in a reasonably timely manner, all funds of the Club in financial depositories so designated by the Board;

B. Record the receipts and expenditures of the Club, and reconcile depository statements on a monthly basis;

C. Retain custody of all Club Funds until so deposited;

D. The current Treasurer shall provide a June 30 yearly accounting report to the Club Membership at the Annual meeting, and the accounting report to the Membership shall include, as a minimum, the following items but the Treasurer may include other items:

- (i) the amount of restricted and unrestricted funds on hand as of June 30;
- (ii) the amount of income received from all sources as of June 30;
- (iii) the amount of expenses expended as of June 30;
- (iv) a listing of both the amount of the donations and the charitable organizations;

E. Provide a monthly financial report to the Board;

F. Pay all bills or invoices after approval by the Board;

G. To turn over all funds, financial books and records and any other Club property controlled or possessed by the Treasurer to the successor Treasurer;

H. To file all federal and state forms in a timely manner. These duties may be delegated but (i) the Treasurer shall remain responsible to determine that all such delegated duties are performed in an appropriate and timely manner and (ii) any delegation of duties to a paid individual shall be funded in the yearly budget before any delegation of duties can occur; and

I. To perform such other duties as pertain to this office.

ARTICLE VI **SERGEANT AT ARMS**

Section 6.01 Duty. The duty of the Sergeant at Arms shall be such as are usually prescribed for this position and such other duties as may be assigned by the President.

Section 6.02 Ex Officio Member. The Sergeant at Arms shall be an ex-officio member of the Board but shall not have any voting right nor shall the Sergeant-at-Arms be counted in any required quorum. The Sergeant-at-Arms shall not attend any executive session of the Board unless so invited.

ARTICLE VII
FINANCES

Section 7.01 Bond. Officers having charge or control of Club funds shall give bond as required by the Board for the safe custody of the Club funds. The cost of any bond required shall be borne by the Club.

Section 7.02 Reserve. Commencing July 1, 2010, the July 1, 2010, budget shall include a Reserve in the amount of ten (10%) percent of the annual budgeted expenses, and the amount of the percentage for each subsequent fiscal year budget shall increase by a minimum of ten (10%) percent per year until the Reserve shall equal fifty (50%) percent of the annual budgeted expenses, and this percentage of fifty (50%) percent shall be maintained in all future budgets. Additions to the Reserve occur through the budget process when annual actual receipts (or revenues) exceed disbursements (or expenses). The Board shall determine, at the beginning of each Fiscal Year whether segregating the funds is to be by accounting records or by an actual separate bank account.

Section 7.03 Rotary International Dues. The payment of per capita dues and magazine subscriptions to RI shall be made as prescribed by RI in their semi-annual report instructions.

Section 7.04 International Convention Club Payment. The Club shall only pay for the President Elect's transportation, registration fee, costs to attend meetings required of the President Elect or selected by the President Elect, and room and board to the RI International Convention. The Club shall not pay for any other attendee, whether the attendee is a Member of the Club, a member of Rotary or a non-member of Rotary. If the President Elect cannot attend the International Convention, the Club shall not pay for any other attendee.

ARTICLE VIII
COMMITTEES

Section 8.01 Service Committees. There are five (5) Service Committees ("SERVICE COMMITTEES") which are listed below, and the President-Elect shall appoint a Director chairperson to each Service Committee for the President-Elect's Year:

- A. Community Service;
- B. International Service;
- C. Vocational Service;
- D. Club Service; and
- E. Youth Service

Section 8.02 Duties of Committees.

A. Club committees are charged with carrying out the annual and long-range goals of the Club based on the five (5) Service Committees. The President-Elect, President and

Immediate Past President should work together to ensure continuity of leadership and succession planning. When feasible, committee members should be appointed to the same committee for three (3) years to ensure consistency. The President-Elect is responsible for (i) appointing the initial committee members, (ii) appointing committee chairs, and (iii) conducting planning meetings prior to the start of the President-Elect's year in office. When feasible, the chair of each committee should have prior experience as a member of the committee.

B. The duties of all committees shall be established and reviewed by the President-Elect for that President's Year. In declaring the duties of each committee, the President-Elect shall make reference to appropriate RI materials.

C. Each committee shall have a specific mandate, clearly defined goals, and action plans established by the beginning of each Year for implementation during the course of the Year. It shall be the primary responsibility of the President-Elect to provide the necessary leadership to prepare recommendations for Club committees, mandates, goals and plans for presentation to the Board in advance of the commencement of the Year.

Section 8.03 Authority. Each Service Committee shall transact such business and carry out such duties and responsibilities as is delegated or referred to it by the President or the Board. Except where special authority is given to such Service Committees by the Board, such Service Committees shall not take action until a report has been made to the Board and approved by the Board. No contract shall be entered into and no funds expended on behalf of the Club until it has been submitted to the Board and approved by a majority vote of the Board.

Section 8.04 Establishment of Other Committees. The President, during his or her term, may also establish such other committees as deemed necessary for the internal or external administration of Club affairs and shall establish such committee's mandates, goals and action plans. The President shall also fill all committee vacancies during his or her term. Except where special authority is given to such Service Committees by the Board, such Service Committees or committee shall not take action until a report has been made to the Board and approved by the Board.

ARTICLE IX **CLUB MEETINGS**

Section 9.01 Annual Meetings. At the Annual Meeting, the election of the officers and Directors shall take place for the ensuing Year. Should there be a tie vote at the Annual Meeting, the President shall vote to break the tie vote. If the President is unavailable to attend the Annual Meeting, the person presiding over the Annual Meeting shall vote to break the tie vote.

Section 9.02 Regular Weekly Meetings. The Club shall hold weekly meetings which shall be held on Tuesday at 12:15 P.M., Joliet Time. The weekly meetings must be held within a five (5) mile radius of the city limits of the City of Joliet, Illinois, as amended from time to time. Notice of any changes in or cancelling the weekly meeting shall be given to all Club members as determined by the Board. All Members, excepting an honorary Member (or Member excused pursuant to the standard Rotary Club constitution) in Good Standing in the Club on the day of

the regular weekly meeting, must be evidenced by the Member's being present for at least sixty (60%) percent of the time devoted to the regular meeting, either at this Club or any other Rotary club, or as otherwise provided in the standard Rotary club constitution. Should a motion or resolution be presented at the weekly meeting resulting in a tie vote, the President shall vote to break the tie vote. If the President is unavailable to attend the weekly meeting, the person presiding over the weekly meeting shall vote to break the tie vote.

Section 9.03 Quorum. One-third (1/3) of the Club membership shall constitute a quorum at the Annual Meeting and weekly meetings. For purposes of determining a quorum, attendance shall be taken at the commencement of each weekly and Annual Meeting. For purposes of determining a quorum, the "exempt" members are voting members and shall be included in determining if a quorum is present. The Club membership shall be determined as of the end of the prior month's total membership count as calculated by the committee reporting attendance to RI.

Section 9.04 Method of Voting. This Section 9.04 shall apply to (i) the Annual Meeting, (ii) the weekly Club meeting, and (iii) all Board of Director's meetings. The business of the Club shall be transacted via voice vote except a written ballot is required as follows: (1) if there is a contest for the position of officer or Director the election shall be by written ballot as set forth in Section 4.03 B; (2) if the motion or resolution presented to the Membership is to increase or decrease dues. In addition to items (1) and (2), the Board may determine that a specific resolution or motion be considered by written ballot rather than via voice vote. If it is determined that a tie vote exists at any of the meetings listed in (i), (ii) or (iii) above, the President or the person presiding over the meeting shall vote to break the tie vote.

Section 9.05 Attendance. The Club recognizes (1) the need for active Members and (2) the RI value of an attendance requirement. The Club understands that temporary business, personal and health matters can cause valuable members to have lapses in attendance resulting in the Member's failure to attend a minimum of fifty (50%) percent of the Club's meetings pursuant to RI attendance requirements. To mitigate or relieve the attendance problems facing both the Club and the individual Member, the following guidelines are hereby instituted:

A. At the January Board of Director's meeting, the Attendance Chair shall present attendance records for all Members of the Club for the prior twelve (12) month time period, i.e., January 1 to and including December 31.

B. The Attendance Chair shall determine if each Member with less than fifty (50%) attendance for the current Year can meet the RI Rule of 85 which would allow Attendance Exempt Status within the subsequent six (6) months. The Attendance Chair shall also report to the Board those Members whose attendance fails to meet the RI minimum, but who perform current and valuable service to the Club. In any dismissal vote, the Board shall take into consideration the services that Member provides to the Club and the length of time the Member has performed those services.

C. The Club Secretary, or designee, shall present a list of the Members to the Board of Directors at the January Board meeting who have been contacted by a Board member within

the prior thirty-six (36) months, along with the Member's response regarding possible improvements in Club attendance ("Member Response Summary").

D. Except as otherwise set forth herein, those members with forty (40%) percent or less attendance during the Year and who cannot meet the RI Rule of 85, shall receive a letter from the Club President ("Presidential Letter"), which, at a minimum, shall contain the following: (1) a Statement of the RI attendance rules then in place; (2) applicability of the Four Way Test; (3) a definite date that the Member is to respond to the President's letter under D; and (4) an invitation for a personal meeting. The Presidential Letter must be delivered to the Member prior to the end of January.

E. Except as otherwise set forth herein, those Members with attendance for the Year of between forty-nine (49%) percent and forty-one (41%), shall be contacted in person by an appointee or appointees of the Board, for the purpose of improving attendance. However, any Member who qualifies for personal contact under this subpart E, and who has either (i) received one or more letters from a Board Member or an appointee of the Board, or (ii) has had two or more personal contacts during the previous thirty-six (36) month period, shall receive a Presidential Letter containing the elements set forth in subpart D above. The Board contacts and the Presidential Letter must occur prior to the end of January.

F. Any Member who has attendance of forty (40%) percent or less during the Year, or any Member who qualifies for a Presidential Letter under subpart E, and who has received two or more such Presidential letters in the previous thirty-six (36) months, shall be subject to an immediate dismissal vote. The procedure for such a vote shall be outlined below.

G. At the February Board Meeting, the President shall present a list of Member's Response Summaries to the President's letter sent in the most current Club Year. In addition, those designees who have made personal contacts during the most current Club Year shall present a listing of responses from the Club Member to the Board of Directors.

H. The Board, at its February meeting shall give due consideration to the Member's Response Summary and the responses reported upon by those designees who have made personal contact with the Member. Such responses shall be maintained by the Secretary and shall be made a part of the monthly minutes.

I. The Board, at its February meeting, shall review and discuss all such Members that are subject to and qualify for an immediate dismissal vote. The Board shall vote on each Member eligible for immediate dismissal as though a Motion was made and seconded for the dismissal of such person as a Member of the Club. A dismissal shall require a two-thirds (2/3rds) vote of those Board members present at the meeting.

J. Following an affirmative dismissal vote, the Member shall be personally contacted by the President to inform the Member of that Member's dismissal, and the dismissed Member shall also receive a letter of dismissal from the Club. These actions shall occur prior to the next regularly scheduled Board meeting. However, official removal from the Club Roster shall not occur until the next regularly scheduled Board meeting after the dismissal vote so that any extenuating circumstances not known at the time of the dismissal vote may be considered.

K. At the Board's regular April meeting, attendance records for those Members whose attendance is forty nine (49%) percent or less, and who have not received (1) one or more Presidential letters during the previous thirty-six (36) months or (2) have not received two or more personal contacts during the previous thirty-six (36) months, shall be re-evaluated for attendance. If such Member's attendance has not substantially improved since the receipt of the Presidential Letter, the Member shall be considered for dismissal under the provisions of Subpart I and the Board shall vote upon the dismissal of such Members at the Board's April meeting.

Section 9.06 Cancellation of a Regular Club Meeting

A. RI has an established policy that a club shall not cancel more than three (3) consecutive meetings for any cause, and until and unless RI amends or revokes this policy, the Club shall not cancel three (3) consecutive regular Club meetings for any cause.

B. The Board may cancel a regular Club meeting for one or more of the following reasons:

1. A federal or State of Illinois legal holiday;
2. The death of a Club Member;
3. An epidemic or a disaster affecting the whole community;
4. An armed conflict in the community which endangers the lives of the Club Members; or
5. In addition to the above reasons for cancellation, the Board may cancel for causes not otherwise specified herein, including but not limited to severe weather conditions, provided, however, that the Board shall not cancel more than a total of four (4) regular meetings in a Year under this subpart 5.

C. The decision to cancel a regular Club meeting shall be made by a majority of the Executive Committee. If a majority of the Executive Committee is unavailable, the decision shall be made by a majority of the non-executive Board Members. In lieu of being able to have a majority vote on the issue, the President, if available, and if not, the President-Elect, shall make the decision to cancel a regular Club meeting.

D. If at all possible, the decision to cancel a regular Club meeting shall be made prior to 10:00 P.M. on the evening prior to the regularly scheduled Club meeting. If such a decision is not possible by that time, a decision to cancel a regularly schedule Club meeting shall be made by 8:00 A.M. on the day of the meeting.

E. Once a decision has been made to cancel a regularly scheduled Club meeting, the Secretary or the Secretary's assignee shall forward Notice to all Members of the meeting's cancellation. All available means of communication shall be used to forward Notice to all Members.

F. The Executive Committee, or the President, shall delegate Members to inform the following that the regularly scheduled Club meeting has been cancelled: (1) the speaker of the day, (2) the meeting place, (3) the students of the month, if any, and (4) an announcement shall be posted on the Club's website of the meeting cancellation.

G. The Executive Committee, or the President, shall, if possible, assign one or more Members to physically be available at the meeting place to inform guests and visiting Rotarians that the meeting has been cancelled, but to obtain information regarding the visiting Rotarians so that they may obtain credit for attending a meeting.

Section 9.07 Excused Leave of Absence.

A. In order for a Member to obtain an excused leave of absence, the Member must provide Notice on the prescribed form to the Club President, setting forth the specific reason or reasons that such an excused leave of absence is being requested, as well as the duration of such an excused leave of absence, all in accordance with the time limits set forth under subsection C below.

B. Circumstances under which the Board may grant an excused leave of absence:

1. The Member, for employment related reasons only, is temporarily reassigned to a work location which is twenty (20) miles or greater from the Club's meeting location; or
2. Any reason that is permitted under the Family Medical Leave Act as it may be amended from time to time; or
3. Jury duty.

C. Length of time period for excused leave of absence:

1. Any excused leave of absence initially shall be for a maximum period of three (3) months from the date the Board approves the excused leave of absence. The Board, in its sole discretion, shall determine if the leave of absence should be granted or denied, and the Secretary shall notify the Member by Notice of its decision. The excused leave of absence may be for a lesser period of three (3) months, but shall not exceed the maximum period of three (3) months.
2. Prior to the expiration of the initial three (3) month period, the Secretary shall notify the Member that the initial three (3) period is about to expire, and a Member may request that the initial leave of absence be extended for an additional three (3) month period by providing Notice to the Club President, setting forth the specific reason or reasons for the leave to be extended. The Board shall determine if the leave of absence should be extended, and if so extended, the Secretary shall notify the Member by Notice of its election to extend the leave. If the Board determines that the leave of absence should not be extended, the Secretary shall notify the

Member by Notice of its election not to extend the leave. The excused leave of absence may be for a lesser period of three (3) months, but shall not exceed the maximum period of three (3) months.

3. Prior to the expiration of the second three (3) month period, the Secretary shall notify the Member that the second three (3) month period is about to expire, and a Member may request that the excused leave of absence be extended for an additional three (3) month period by providing Notice to the Club President, setting forth the specific reason or reasons for the leave to be extended. The Board shall determine if the leave of absence should be extended, and if so extended, the Secretary shall notify the Member by Notice of its election to extend the leave. If the Board determines that the leave of absence should not be extended, the Secretary shall notify the Member by Notice of its election not to extend the leave. The excused leave of absence may be for a lesser period of three (3) months, but shall not exceed the maximum period of three (3) months.
4. Prior to the expiration of the third three (3) month period, the Secretary shall notify the Member that the third three (3) month period is about to expire, and a Member may request that the excused leave of absence be extended for an additional three (3) month period providing Notice to the Club President, setting forth the specific reason or reasons for the leave to be extended. The Board shall determine if the leave of absence should be extended, and if so extended, the Secretary shall notify the Member by Notice of its election to extend the leave. If the Board determines that the leave of absence should not be extended, the Secretary shall notify the Member by Notice of its election not to extend the leave.
5. After the fourth consecutive excused leave of absence has been granted by the Board, no further extensions of an excused leave of absence shall be granted by the Board, and any request by the Member shall be denied, Provided, However, if the excused leave of absence is for a reason permitted under the Family Medical Leave Act, the Board may, but is not required, to grant an excused leave of absence for a period of time which would exceed a twelve month consecutive time period

D. Required Record Keeping. The President-Nominee shall be responsible for all record keeping pertaining to excused leaves of absences, maintaining such records during that person's term in office and transferring such records to his or her successor. All such records shall be preserved for a minimum period of five (5) years. The President-Nominee shall share the excused leave information with the attendance chairperson on a regular basis.

E. Benefits and Protections. During the excused leave of absence period, a Member shall pay all Club dues when required, and shall comply with all other Club rules except that the Member is excused from meeting the attendance requirements. This Section 9.07 shall apply to all Members eligible and who comply with Section 9.08 below.

Section 9.08 Rule of 85.

A. Requirements. A Member's absence from any meeting shall be excused if (i) the aggregate of the Member's years of age and years of membership (provided part (ii) is complied with) in one or more Rotary clubs equals 85 years or more, (ii) the Member has been a member in good standing of one or more Rotary clubs for at least twenty (20) years, and (iii) the Member has forwarded a Notice to the Club Secretary of the Member's desire to be excused from the RI attendance requirement. If the Member meets the criteria set forth in this Section, the Board shall not deny the request and shall vote to approve the request. If the Member fails to meet the criteria set forth in this Section, the Board shall vote to deny the Member's *request* to be excused from attendance under the Rule of 85. If RI shall change what is known as the Rule of 85, this Section shall automatically be amended to comply with the criteria as set forth by RI.

B. Effective Date. The effective date of a Member's exemption from the RI attendance requirement shall be the date that the Board votes on and approves the Member's request to be exempt from the RI attendance requirement, provided, however, that a Member shall not submit a request for exemption unless the Member has met the qualification requirements in Section 9.09 A, and the Board shall not vote on a Member's request for exemption unless and until the Member has met the requirements in Section 9.09 A.

Section 9.09 Change of Meeting Location. In the event that there is a need or reason to change the Club's meeting location for regularly scheduled meetings, the Board shall select a committee of at least three (3) Members but no more than seven (7) Members to recommend alternative locations to the Board, and the Board shall make the final determination as to the regular meeting location.

Section 9.10 Political Programs.

A. A person becomes a "Declared Candidate" when the person files a petition for the elected position sought and has not withdrawn his or her petition whether or not the person is already an elected official.

B. The Declared Candidate cannot speak to the Club until after the general or special election is closed to the voters, provided, however, that a Declared Candidate may speak to the Club if all other Declared Candidates are also given the opportunity to speak to the Club within a reasonable time period prior to the general or special election for the position sought by the Declared Candidate.

ARTICLE X
FEES AND DUES

Section 10.01 Admission Fee. Each prospective new Member shall pay an admission fee if such admission fee is approved by the Board for all new prospective Members. Such fee shall be paid upon acceptance into the Club but no later than their installation as a new Club Member. The amount of the admission fee shall be determined by the Board from time to time. If the Board eliminates the admission fee, it may reinstitute such an admission fee at any time.

Section 10.02 Annual Membership Dues. Annual Membership dues shall be established by the Board with the approval of a simple majority of the Membership in attendance at a regularly scheduled Club meeting. Notice shall be given to the Membership at least fourteen (14) calendar days prior to the regularly scheduled Club meeting where the dues schedule, either increasing or decreasing the dues, will be presented.

Section 10.03 Payment of Membership Dues.

A. All annual membership dues shall be invoiced by the Secretary prior to May 15th of each year, and the full amount of a Member's annual dues shall be due and payable by June 30th of each year.

B. The invoice issued by the Secretary or the Secretary's delegate shall clearly state, in larger type than the remainder of the invoice the following: (1) the dues must be received by the Club on or before June 30th without a late fee being assessed; (2) a late fee will be assessed if the dues are not received by the Club on June 30th, and (3) if the dues and the late fee are not paid by August 15 the Member is automatically terminated.

C. The Board may establish, in their sole discretion, an option for all Members to pay their membership dues on a semi-annual payment schedule with such administrative fees as the Board determines from time to time. If the Board does allow a payment option for all Members, the Board, in its sole discretion, may assess a minimum administrative fee of five (5%) percent per annum of the total amount of the dues assessed, which shall not be waived by the Board except as provided for in Section 10.04 below.

D. It is understood that a Member's dues shall be applied to a Member's subscription to THE ROTARIAN magazine as long as such a magazine or a similar publication is published.

E. Dues paid by a Member are non-refundable.

Section 10.04 Hardship Cases. If the Board requires payment of the annual dues in one payment, a Member may submit a request to the Board that the Member make equal semiannual payments with the first payment due July 1 and the second installment due January 1. After submission of documentation as may be requested by the Board, the Board may elect to allow the requesting Member to pay the Member's dues in two equal semi-annual payments with the first payment due July 1. The Board may elect to assess an administrative fee under this Section on a case by case basis, and if the Board does assess an administrative fee, the minimum fee shall be five (5%) percent per annum of the total amount of the dues assessed, which shall not be waived by the Board.

Section 10.05 Late Payment of Membership Dues. If a Member's annual dues are not paid on or before June 30 of each Year, the Board shall assess and collect additional charges or fees on unpaid annual Membership dues. The minimum charge or fee that the Board must charge shall be five (5%) percent per annum of the unpaid annual Membership dues that are delinquent. The additional charges or fees shall not be waived by the Board. This Section 10.05 shall apply to both Sections 10.03 and 10.04.as to the minimum Board assessments and the fact that such assessments may not be waived under any circumstance.

Section 10.06 Failure to Pay Membership Dues.

A. If a Member fails to pay the Member's annual dues, including all charges and fees and any past amounts due and owing ("PAYMENT DELINQUENCY"), within the prescribed time period set forth in Section 10.05, the Secretary shall give Notice to the Member's last known address no later than July 30th of the Payment Delinquency amount. If the Member's Payment Delinquency amount is not paid on or before August 15, the Member shall automatically be terminated as a Club Member with all rights of Club membership being terminated. Within fifteen (15) calendar days after the date of termination, the Secretary shall forward Notice to the Member of the Member's termination as a Club Member and the specific date of termination.

B. The Board, after due diligence, determines that a Member has a disability that substantially impairs the member's ability to provide for his or her own care or custody and that constitutes a substantial handicap, whether or not the Member has been adjudicated a disabled person in a court of law, may reasonably elect to delay the payment time for such a member until the Board, after reasonable collection efforts have been exhausted, elects to terminate the Member for failure to pay the Payment Delinquency.

ARTICLE XI
ELECTION OF MEMBERS

Section 11.01 Membership Proposal. A Member in Good Standing ("Sponsor") who wishes to propose a new member ("Applicant") should first complete the appropriate section of the prospective membership application form. The application form shall not be signed by the Applicant. The Sponsor shall deliver the unsigned membership form proposing the Applicant to the President Nominee. The Applicant must have their place of business or residence located within the City of Joliet or the surrounding area.

Section 11.02 Composition of Club.

A. The Club shall be composed of adult persons who demonstrate good character, integrity and leadership; possess good reputation within their business, profession, and/or community; and are willing to serve in their community and .or around the world; and

B. The Club shall have a well-balanced membership in which no one business, profession or type of community service predominates. The Club shall not elect a person to active membership from a classification if the Club already has five (5) or more Members from that classification, unless the Club has more than fifty (50) Members, in which case the Club may elect a person to active membership in a classification so long as it will not result in the classification making up more than ten (10%) percent of the Club's active membership. Members who are retired shall not be included in the total number of Members in a classification. The classification of a transferring or former Member of the Club, or a Rotaractor or Rotary alumnus as defined by the Board, shall not preclude election to active membership even if the election results in club membership temporarily exceeding the above limitations. If a Member changes classification, the Club may continue the Member's membership under the new classification notwithstanding these limitations.

Section 11.03. Classification. The President Nominee shall be responsible for and shall ensure that the application form meets all the classification membership requirements of the standard Rotary Club Constitution. The President-Elect shall have the classification procedure completed within thirty (30) calendar days from the date that the President-Nominee shall receive a properly completed application form as determined by the President-Nominee. The President-Nominee shall keep confidential the application form and shall disclose the application form to only those Members that have an immediate need to know. Full disclosure to the Members of the Applicant and the Applicant's classification shall occur after the Applicant's application form has been approved by the Board.

Section 11.04. Submission of Application Form to Board. The President Nominee shall submit the properly completed application form to the Board within sixty-one (61) calendar days from the date that the President Nominee receives a properly completed application form. The Board shall approve or disapprove the properly completed application form promptly, and in no instance longer than ninety (90) calendar days from the date the properly completed application form was submitted to the Board.

Section 11.05. Board Decision.

A. If the Board approves the properly completed application form, the President Nominee shall notify the Sponsor and the Sponsor shall inform the Applicant of the purposes of Rotary as well as the privileges and responsibilities of membership. The Board shall prepare a listing of the privileges and responsibilities of membership which shall be delivered to each Sponsor by the President Nominee. The Sponsor shall also request the Applicant to (i) sign the membership proposal form, and (ii) allow the Secretary to notify the Club Members of his or her name and proposed classification. All of the above must be completed within forty-five (45) days after the Board has approved the application form, and failure to comply with this guideline shall result in the application form being withdrawn.

B. If the Board disapproves the application form, the President Nominee shall notify the Sponsor who shall inform the Applicant. The Board may disapprove the application form without stating any reasons for its decision, or it may elect to inform the Sponsor of its reasons for disapproval.

Section 11.06. Notification to the Membership.

A. A Member, within seven (7) calendar days after Notice to the Members of the application form submitted by the Applicant, may submit a written objection stating the reason or reasons as to why the Member is objecting to the Applicant. Such written objection should be delivered to either the President or the President Nominee. If no written objection with reasons is received within the above time period, the Applicant, upon payment of the admission fee, as prescribed by these bylaws, shall be considered to be elected to membership.

B. If either the President or the President Nominee do receive a written objection or objections with reasons within the time period set forth in Subsection A above, the Board shall have the following alternatives:

- (i) The Board may elect to review the evidence presented by the objector or objectors in executive session. However, the Board shall make no decision at the executive session where the evidence is gathered and reviewed, but shall make its decision at the next regularly scheduled Board meeting; or in the alternative
- (ii) The Board may appoint three (3) Past Presidents which shall exclude the immediate Past President, or the Past President appointed under Section 4.06 of these bylaws, for the purpose of reviewing the written objections presented for the purpose of presenting its recommendations to the Board. The recommendation or recommendations must be presented to the Board in writing and must be presented at least seven (7) calendar days prior to the Board's next regularly scheduled meeting. If the recommendation or recommendations are not made within the scheduled time period, the panel of Past Presidents shall be considered disbanded, and the Board shall make its decision as required under B (i) above.

C. If the alternative under B (ii) is selected by the Board, the Board shall review the recommendation or recommendations of the panel of Past Presidents, and shall make its decision within the time period required in Section B (i) above.

D. The Board or the panel of Past Presidents shall reject the written objection or objections if not accompanied by a reason or reasons why the Applicant's written application should be rejected, and the Member opposing the Applicant shall not have the opportunity to correct a defective written objection nor add any additional reasons at a later date.

E. If the Board approves the Applicant despite the written objection, the Applicant shall be informed of the Board's vote, and upon payment of the admission fee as prescribed in these bylaws, shall be considered to be elected to membership.

F. If the Board disapproves of the application form based upon the written objection or objections, the President shall inform the Applicant's Sponsor of the Board's decision, and the Sponsor shall inform the Applicant of the Board's decision. All communication between the various parties shall take place as promptly as possible.

Section 11.07. Election to Membership. Within a reasonable time period following the Applicant's election to membership, the President shall arrange for the Applicant's induction as a new Member and provide all necessary membership materials with an orientation session. The President Nominee shall report the new Member information to RI. The President shall assign a Member, preferably the Applicant's Sponsor, to assist with the new Member's assimilation into the Club and shall assign the new Member to either a committee, Club project or Club function.

Section 11.08. Termination of A Member's Membership In The Club. Notwithstanding that a Member is in Good Standing, the Board, by a majority vote of the Board Members, may terminate the Club membership of a Member for any of the following reasons:

- A. The Member has misused funds from The Rotary Foundation, the Club or who has otherwise breached the stewardship policies of The Rotary Foundation; or
- B. The Member has initiated or maintains litigation against RI, The Rotary Foundation or the Club, including their directors, trustees, officers and employees, prior to exhausting all remedies provided for in the constitutional documents of RI; or
- C. Allegations have been made against the Member in connection with Rotary related to youth programs, or violation of applicable laws regarding the protection of youth; or
- D. Any issue or issues leading to termination for cause; or
- E. RI has threatened to suspend or terminate the Rights of the Club as an RI Club if a Member is not removed as a Club Member.

Section 11.09 Procedural Safeguards Prior To Terminating A Member's Membership In The Club. The Board may take action against a Member in Good Standing provided a copy of the charges and Notice of the time and place of a hearing is presented to the Member at least thirty (30) calendar days before such a hearing shall occur. The District Governor of the concerned district or a past District Governor selected by the present District Governor may be present at such hearing at the District's expense. All parties shall be entitled to be represented by counsel at any such hearing, but each party shall be liable for and pay the cost of that parties' separate counsel. The term "counsel" shall not be limited to an attorney authorized to practice law before any Supreme Court of any state.

ARTICLE XII **HONORARY MEMBERS**

Section 12.01. Election of Honorary Member. The Board may elect an individual to honorary membership based upon one of the following criteria: (i) the person shall have distinguished himself or herself in the furtherance of Rotary ideals, or (ii) a person considered a friend of Rotary for his or her support of Rotary's causes.

Section 12.02. Term. The term of an honorary membership shall be a Year. A person may be elected for consecutive terms. If the Board fails to affirmatively renew the honorary membership of an existing honorary member, that person shall no longer be considered an honorary member.

Section 12.03. Rights and Privileges. Honorary members shall be exempt from the payment of admission fees and dues, shall have no vote, and shall not be eligible to hold any office in this Club. Honorary members shall not hold classifications, but shall be entitled to attend all meetings and enjoy all of the other privileges of the Club. No honorary member of this Club is entitled to any rights and privileges in any other club, except for the right to visit other clubs without being the guest of a Rotarian.

ARTICLE XIII **MEMBER RESOLUTIONS OR MOTIONS**

Section 13.01. Presentation of a Member Resolution or Motion at a Regularly Scheduled or Special Club Meeting. No written resolution or motion relating to a Club commitment on any matter raised by a Member at a Club meeting shall be considered by the Club until it has been referred to and considered by the Board. No discussion of the written resolution or motion regarding the written resolution or motion shall take place at the Club meeting where the written resolution or motion was raised. Any resolution or motion by a Member shall be in writing and signed by the Member or Members presenting the resolution or motion.

Section 13.02. Consideration by the Board. Upon presentation of a written and signed resolution or motion to the Club Secretary, the Board shall place the resolution or motion on its agenda for the next regularly scheduled Board meeting where it shall discuss the written resolution or motion. The Board may, either vote upon the written resolution or motion after its discussion, or may delay the vote until the next regularly scheduled Board meeting at which time it shall vote upon the resolution or motion. The decision of the Board shall be final and the Board need not submit the resolution or motion to the Members except if the Board elects to submit the written resolution or motion submitted to the Membership at a regularly scheduled weekly Club meeting for approval or rejection. If the Board elects to present the resolution or motion to the Members, the Secretary shall provide Notice to all Members of the Board's recommendation of the resolution or motion.

Section 13.03. Vote by the Members. After the passage of fourteen (14) calendar days from the date of the Notice required in Section 13.02 above, the resolution or motion shall be placed on the agenda for the next regularly scheduled Club meeting under unfinished business, and the Membership shall vote upon the motion or resolution.

ARTICLE XIV **INDEMNIFICATION**

Section 14.01. Indemnification. Except as may be insured through a liability policy maintained by the Club or the member or members involved in the matter, to the full extent permitted by the Illinois Not-For-Profit Corporation Act as amended from time to time, or by other provisions of law, each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, wherever and by whomsoever brought (including any such proceeding, by or in the right of the Club), whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a member, Director or officer of the Club, or he or she is or was serving at the specific request of the Board as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Club for such person's related expenses, including but not limited to attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided, however, that the indemnification with respect to a person who is or was serving as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall apply only to the extent such person is not indemnified by such other corporation, partnership, joint venture, trust or other enterprise. The indemnification provided by this Article shall inure to the benefit of the heirs, executors and administrators of such person and

shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this provision of these bylaws. Section 14.01 is subject to the provisions of Section 14.02 and Section 14.03 below.

Section 14.02. Approval by the Board. Any indemnification above (unless ordered by a court) shall be made by the Club only as authorized in the specific case, upon a determination that indemnification of the present or former director, officer, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth above. Such determination shall be made with respect to a person who is a director or officer at the time of the determination: (1) by the majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, (2) by a committee of the directors designated by a majority vote of the directors, even though less than a quorum, or (3) by the members entitled to vote, if any.

Section 14.03. Exceptions. This Article shall not apply if the act or omission of the person involved willful or wanton conduct.

ARTICLE XV **MISCELLANEOUS**

Section 15.01. Conformity with RI Constitution and Bylaws. If any provision in these bylaws conflicts with the Constitution, bylaws or policies of RI, as amended from time to time, then the terms of the Constitution, bylaws or policies of RI shall prevail *unless* a different result is required by Illinois or federal law, in which case the provision required by law shall prevail.

Section 15.02. Non-Substantive Changes. Typographical and other errors found in these bylaws may be changed by the Board providing that such changes do not change the intention or meaning of the article or section.

Section 15.03. Captions. The Article and Section headings are inserted in these bylaws for convenience only and in no way define, limit or describe the scope or intent of these bylaws, or any provision hereof, nor in any way affect the interpretation of these bylaws.

Section 15.04. Severability of Clauses. If any provision of these bylaws is held illegal or unenforceable in a judicial proceedings, such provision shall be severed and shall be inoperative, and the remainder of these bylaws shall remain operative and binding.

ARTICLE XVI **MERGER AND DISSOLUTION**

Section 16.01. Dissolution. The dissolution of this Club may be authorized by a vote of its Members entitled to vote in the following manner:

A. The Board shall adopt a resolution, which may be with or without their recommendation, proposing that the Club be dissolved voluntarily, and directing that the question of such dissolution be submitted to a vote at a meeting of Members entitled to vote, which may be either at an Annual, special or regularly scheduled meeting.

B. Notice stating the purpose of the meeting is to consider the voluntary dissolution of the Club, shall be given to each Member entitled to vote on dissolution twenty-five (25) calendar days prior to the holding of such a meeting.

C. At such meeting, a quorum being present, the Members shall vote on the resolution to dissolve voluntarily the Club. The resolution shall be adopted by receiving the affirmative vote of at least two-thirds (2/3) of the votes present.

Section 16.02. Distribution of Club Assets. The assets of the Club shall be distributed in accordance with the plan of distribution as required by the Illinois General Not-For-Profit Act (805 ILCS 105/112.16), as may be amended from time to time. After following the plan of distribution as required by the above statute, any remaining assets shall be paid or transferred to RI. No Member shall possess any rights nor shall receive any assets of the Club, unless that Member is owed either reimbursement for expenses incurred on behalf of the Club, or is entitled to compensation for professional services previously secured.

Section 16.03. Merger or Consolidation by Directors and Members.

A. Upon first receiving the permission of RI to merge or consolidate with another Rotary club, the two or more Rotary clubs that are merging or consolidating shall adopt a plan of merger or consolidation in compliance with the provisions of the Illinois General Not-for-Profit Corporation Act of 1986, as amended from time to time.

B. The Directors shall adopt a resolution approving the plan of merger and directing that the plan be submitted to a vote at a meeting of Members entitled to vote on mergers or consolidations, which may be either at an Annual, regular or special meeting of the Members.

C. Notice setting forth the proposed plan or a summary shall be given to each Member within thirty (30) calendar days prior to such meeting.

D. At such meeting, at which there shall be a quorum of Members, a vote of the Members entitled to vote shall be taken after discussion of the plan of merger or consolidation. The proposed plan of merger or consolidation shall be adopted if the plan receives the affirmative vote of at least two-thirds (2/3) of the votes present.

E. The merger or consolidation shall become effective upon the filing of the articles of merger or consolidation by the Illinois Secretary of State or on a later specified date, not more than thirty (30) calendar days subsequent to the filing of the articles of merger or consolidation by the Illinois Secretary of State, as may be provided for in the plan.

ARTICLE XVII
AMENDMENTS

Section 17.01. Amendment Process. These bylaws may be amended by a Member as follows:

A. Any Member may propose an amendment or amendments to these bylaws. The proposal must be in writing and shall be presented to the Board.

B. The Board, upon receipt of such amendment, at its next regularly scheduled board meeting, shall appoint a committee of three (3) Members who are not members of the Board. The purpose of this committee is to review and consult with the Member who submitted the proposed amendment.

C. The committee shall have thirty (30) calendar days from the date of the meeting at which they were appointed by the Board to submit a recommendation to the Board approving or rejecting the bylaw proposal or a revised proposal after conferring with the maker of the amendment.

D. The Board, after receipt of the committee's recommendation, shall give Notice to the Members of the proposed amendment at least ten (10) calendar days prior to the date of the Annual, special or regularly scheduled meeting of the Members chosen by the Board to present such an amendment or amendments. In its Notice to the Members, the Board may make a recommendation to accept or reject some or all of the proposed amendment or amendments.

Section 17.02. Board Initiated Amendment. The Board may initiate the amendment process to these bylaws at any time by appointing a committee of non-Board members, for the purpose of reviewing any suggested bylaw changes and drafting such an amendment or amendments. The committee shall present its recommendations to the Board, which the Board may approve, reject, or return to the committee for further work. Upon Board approval of the amendment change or changes as suggested by the committee, the Board shall give Notice to the Members of the proposed amendment or amendments at least ten (10) calendar days prior to the date of the Annual, special or next regularly scheduled meeting of the Members chosen by the Board to present such an amendment or amendments.

Section 17.03. Mandatory Bylaw Review. Commencing at the regularly scheduled Board meeting in August, 2015, and every fifth year thereafter, the President shall appoint a committee of non-Board members to review the bylaws and, if necessary or appropriate, suggest or recommend amendments to the bylaws. The committee, at the latest, shall present its recommendations to the Board seven (7) calendar months from August, and the Board shall make comments to the committee of the proposed amendment or amendments. The committee, within thirty (30) calendar days shall resubmit the proposed amendment or amendments to the Board without having to accept any of the Board's recommendations. The Board must then give Notice of amendments to the bylaws at least ten (10) calendar days prior to the Annual, special or next regularly scheduled meeting of the Members chosen by the Board to present such an amendment or amendments. In its Notice to the Members, the Board may make a recommendation to accept or reject some or all of the proposed amendments.

Section 17.04. Vote. Any particular provision of these bylaws or these entire bylaws may be amended by the Members if two-thirds (2/3) of the votes are cast in favor of the proposed amendment, a quorum being present.

Section 17.05. Effective Date. Amendments to the bylaws shall be effective on the first day of the month following the date the amendment or amendments to the bylaws were adopted, unless otherwise specifically stated in such amendment.

Section 17.06. Amendment Limitation. Unless Illinois or federal law requires it to do so, the Club may not adopt any amendment to these bylaws that conflict with the Constitution, Bylaws or policies of RI.

CERTIFICATION

This is to certify that the foregoing bylaws of the Rotary Club of Joliet, Inc. have been duly adopted by its Members at a meeting held on _____, 2018.

Rotary Club of Joliet, Inc.

By: 
Its President

By: 
Its Secretary