

# **PROFESSIONAL LEGAL TRAINERS GROUP, INC.**

## **BYLAWS**

(as of January 20, 2021)

### **ARTICLE I - ORGANIZATION**

Section 1.01 Name. The name of the corporation is Professional Legal Trainers Group, Inc. (the “Corporation”).

Section 1.02 Corporate Status. The Corporation exists as a Type A Not-for-Profit Corporation under Section 201 of the Not-for-Profit Corporation Law of the State of New York.

### **ARTICLE II - MEMBERSHIP**

Section 2.01 Membership of the Corporation. Membership of the Corporation shall be comprised of all Firm Members and Vendor/Consultant Members (the “Members”).

Section 2.02 Firm Membership. Professional trainers and computer support staff employees of law firms and corporate legal departments in the greater New York metropolitan area, which includes the tri-state area of New Jersey, Connecticut and New York, are, upon payment of dues, eligible to be Firm members of the Corporation. Professional trainers and computer support staff employees of law firms and corporate legal departments located in other geographic areas may be admitted as Firm Members at the discretion of the Board of Directors (as hereinafter defined).

Section 2.03 Vendor/Consultant Membership. Technology trainers, independent consultants and agents of organizations that provide technology services to the legal community in the greater New York metropolitan area, which includes the tri-state area of New Jersey, Connecticut and New York, but who are not employed as full-time personnel by law firms or

corporate legal departments are, upon payment of dues, eligible to be members of the Corporation as Vendor/Consultant Members.

Section 2.04 Membership Dues. The Board of Directors shall establish annually the amount of dues to be paid by Members and/or the law firms or other organizations with which they are affiliated or employed. The rates for membership dues shall be published on the Corporation's website. Memberships are valid, subject to payment of the requisite dues, beginning on April 1 and continuing until and including March 31 of the next successive year. The Board of Directors may, at its discretion, waive membership dues in the months of January, February or March for persons joining in such months. Persons attending general meetings of the Members who have not paid (or had paid on their behalf) the requisite dues shall pay a guest fee per meeting attended, as established by the Board of Directors.

The Board of Directors shall annually review and adjust membership dues as necessary to serve the best interests of the Corporation and its Members. The Board of Directors may establish varied rates of membership dues based upon the number of Members associated with a single law firm, corporate legal department or Vendor Firm.

Section 2.05 New Members. Prospective Members may join the Corporation via its website's "join" page. Information regarding the prospective Member, the prospective Member's law firm, corporate legal department or Vendor Firm, as applicable, and IT application experience must be completed as indicated on the website. Membership will be confirmed by electronic mail indicating that the information has been received and to whom membership dues checks should be sent. No other evidence of membership will be provided to Members.

Section 2.06 Membership Disputes. The Board of Directors shall decide disputes regarding membership eligibility.

Section 2.07 Member Information. The Corporation collects certain information regarding its Members and their law firms, corporate legal departments and Vendor Firms, as applicable, in conjunction with joining the Corporation and renewing membership. The Corporation shall make the following information available to all Members in a password-protected area of its website: Member Name and Title, Member E-mail Address, Member Phone Number, and Firm Name and Address. This information will be made available to other Members only to facilitate communication between individual Members and shall not be further distributed nor used for any other purpose, including sales calls or e-mails. Any Member found to have misused Member information may have his or her membership revoked at the discretion of the Board of Directors. Other than the publication to Members described herein, the Corporation shall not sell, license or otherwise distribute information about any Member without that Member's consent.

Section 2.08 No Commercial Endorsements. No commercial enterprises will be endorsed by the Corporation. Neither the name of the Corporation nor the names of any of its directors or officers in their official capacities as such will be used in connection with any commercial concern.

### **ARTICLE III - BOARD OF DIRECTORS**

Section 3.01 Powers and Numbers. The Corporation shall be managed by a board of directors (the “Board of Directors”). The Board of Directors shall be comprised of the following persons: (a) the Corporation’s Officers pursuant to Article IV of these Bylaws and

(b) any other persons that the Board of Directors may appoint as a director from time to time in accordance with Section 3.13 of these Bylaws (referred to herein, collectively, as the “directors”). The number of directors constituting the entire Board of Directors shall be fixed by the Board of Directors from time to time in accordance with these Bylaws but shall in no case be less than three (3) or more than twelve (12). Subject to these Bylaws, the Board of Directors may increase or decrease the number of directors from time to time by the affirmative vote of the entire Board of Directors, but no such decrease shall shorten the term of any incumbent director.

Section 3.02 Eligibility. Directors shall be at least eighteen (18) years of age and must be Firm Members; provided that, (i) the Vendor Representative need not be a Firm Member and (ii) the Board of Directors may allow Vendor/Consultant Members who are at least eighteen years of age to be nominated as Officers and to serve as directors. No Members affiliated with a Vendor Representative’s Vendor Firm are eligible to hold the office of Vendor Representative in the calendar year following such Vendor Representative’s election.

Section 3.03 Term of Office. Each director elected or appointed to the Board of Directors in accordance with these Bylaws shall hold office for one year, commencing on the January 1 following the Annual Meeting at which the director is elected or appointed through and including December 31 of the same year, or, if appointed or elected after January 1 but prior to the Annual Meeting, until December 31 of the year in which such director is appointed or elected. No director may be elected to more than one term without the prior approval of the Board of Directors.

Section 3.04 Quorum and Action. Unless otherwise required by law, a majority of the entire Board of Directors shall constitute a quorum for the transaction of the business at any meeting of the Board of Directors. Except as provided by law or as otherwise provided herein or in the Corporation's certificate of incorporation, the vote of a majority of the directors present at a meeting of the Board of Directors at which a quorum is present shall be the act of the Corporation. A meeting of the Board of Directors at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any director(s), and, if any action is thereafter taken by a majority of the directors constituting the initial quorum, such action shall be an action of the Board of Directors. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting of the Board of Directors to another time and place.

Section 3.05 Board of Directors Meetings. Regular meetings of the Board of Directors will be held monthly on the Wednesday immediately following the General Meeting (or on such other day as the Board of Directors may determine from time to time) at such time and place as determined by the Board of Directors. The Board of Directors may hold regular meetings more or less frequently, as deemed necessary by the Board of Directors. Special meetings of the Board of Directors may be called by the President or Vice President/Secretary or upon written demand of not less than one-third of the entire Board of Directors. All Board of Directors meetings shall be presided over by a chairperson, who shall be designated by a majority of the directors present at any duly convened Board of Directors meeting.

Section 3.06 Notice of Meeting. Regular meetings of the Board of Directors may be held without notice if the time and place of such meetings are fixed by the Board of Directors at a duly convened meeting of the Board of Directors. Special meetings of the Board of Directors

shall require notice of the time and place of meeting, which notice shall be sent by the Vice President/Secretary or any other person designated by the Board of Directors via first-class mail, electronic mail or facsimile to each director's usual residence or usual place of business, at least three days before such meeting, or via telephone at least one day before such meeting. Any director may waive notice of a meeting in writing before or after the meeting, or by attending the meeting without protesting the lack of notice prior to or at the commencement of the meeting.

Section 3.07 Presence at Meeting by Telephone. Directors may participate in a meeting of the Board of Directors or of a committee of the Board of Directors by means of a conference telephone or similar equipment allowing all persons participating in such meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

Section 3.08 Action by Written Consent. Any action required or permitted to be taken by the Board of Directors (or any committee thereof) may be taken without a meeting if all directors on the Board of Directors consent in writing to the action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent(s) shall be filed with the minutes of the proceedings of the Board of Directors.

Section 3.09 Compensation. The directors shall serve without compensation. Directors may, however, be reimbursed for reasonable expenses, such as transportation, long distance phone calls and copying, undertaken on behalf of the Corporation. Nothing herein shall be construed to preclude any director from serving the Corporation in any other capacity and receiving reasonable compensation for such services.

Section 3.10 Resignation. Any director may resign from office at any time by delivering a resignation in writing to the President or Vice/President Secretary.

Section 3.11 Removal. The Members may remove any or all of the directors with or without cause by majority vote at a duly convened meeting of the Members. The Board of Directors may remove directors for cause at any time. For purposes of the foregoing sentence, “cause” shall include the failure of a director to attend three consecutive Board of Directors meetings.

Section 3.12 Vacancies. Any vacancies on the Board of Directors shall be filled by the affirmative vote of a majority of the directors then in office, regardless of their number. A director appointed to fill a vacancy shall hold office in accordance with Section 3.03 of these Bylaws.

Section 3.13 Appointment of Directors. The Board of Directors may appoint additional directors, not limited to those described in Article IV and Section 3.12 of these Bylaws, subject to the maximum limit of twelve (12) total directors and the provisions of this Article III. A director appointed pursuant to this Section 3.13 shall hold office in accordance with Section 3.03 of these Bylaws.

## **ARTICLE IV - ELECTIONS**

Section 4.01 Initial Directors. The initial directors shall be the persons named in the certificate of incorporation of the Corporation. Each initial director shall hold office until his or her successor is duly elected or appointed in accordance with these Bylaws.

Section 4.02 Election of Officers. Each Officer, other than the Past President, shall be elected by a plurality vote of the Members at the General Meeting held in November of each calendar year (the “Annual Meeting”). Each Officer shall hold office for one year, commencing on the January 1 following the Annual Meeting at which the Officer is elected or appointed through and including December 31 of the same year, or, if appointed or elected after January 1 but prior to the Annual Meeting, until December 31 of the year in which such Officer is appointed or elected. No Officer may be elected to more than one term in the same office without the prior approval of the Board of Directors.

Section 4.03 Nominations. Members or other directors may submit nominations for eligible candidates to serve as Officers (other than Past President) to the Nominating Committee at the General Meeting immediately preceding the Annual Meeting. If a candidate nominated at such General Meeting is eligible to serve as a director pursuant to Section 3.02 of these Bylaws and such nomination is seconded at such meeting, then the Nominating Committee shall add the nominated candidate’s name to the ballot for election at the Annual Meeting. Disputes regarding a nominee’s eligibility will be resolved by the Board of Directors.

Section 4.04 Election Administration. The Nominating Committee will administer elections at each Annual Meeting and the chairperson of the Nominating Committee and at least one other director of the Board of Directors shall observe and certify the counting of votes.\_The Nominating Committee shall distribute a ballot showing all nominees to the Members at the Annual Meeting or, in the case of absentee ballot requests made at least four business days prior to the Annual Meeting, as soon as practicable prior to such meeting. Requests for absentee ballots must be made by electronic mail to info@pltg.com, or to such other electronic mail address announced by the Nominating Committee in the notice of the Annual Meeting required

by Section 6.02 of these Bylaws. If the Annual Meeting will be held virtually, all Members shall be deemed to have timely requested an absentee ballot. Ballots must be received prior to the close of the Annual Meeting or, in the case of absentee ballots, prior to the Annual Meeting in order to be counted. Uncontested candidates may be elected by acclamation vote from the floor if such procedure is proposed and seconded at the Annual Meeting.

Section 4.05 Election Results. The President will announce election results on the Corporation's website and by e-mail as soon as is practicable after the election.

Section 4.06 Ties. Any ties with respect to the election of Officers (other than Past President) will be resolved by a majority vote of the uncontested newly elected (or appointed) directors at the December meeting of the Board of Directors (or at the next duly convened Board of Directors meeting if no December Board of Directors meeting is held).

## **ARTICLE V - OFFICERS OF THE CORPORATION**

Section 5.01 Officers. The officers of the Corporation shall include a President, a Vice President/Secretary, a Vice President/Membership, a Treasurer, a Past President and a Vendor Representative (the “Officers”). No two offices may be held by the same person simultaneously. The Officers, other than the Past President, shall be elected by the Members in accordance with Article IV of these Bylaws. The Board of Directors may appoint other officers as it may from time to time deem necessary or appropriate and any such officers so appointed shall not serve as directors on the Board of Directors unless expressly appointed to serve as a director pursuant to Section 3.13 of these Bylaws.

Section 5.02 President. The President shall provide general leadership and direction to the Corporation, act as general representative to outside groups, nominate chairpersons for

committees established pursuant to Article VII of these Bylaws, preside at General Meetings, and coordinate with the Board of Directors in preparing for General Meetings, including finding and introducing speakers. At the end of the President's term of office, the person holding such office shall automatically hold the office of Past President.

Section 5.03 Vice President/Secretary. The Vice President/Secretary shall record and maintain minutes of the Board of Directors meetings and General Meetings, act for the President in his/her absence, establish and maintain records and procedures relating to the Corporation's business and send confirmation and thank you letters to speakers.

Section 5.04 Vice President/Membership. The Vice President/Membership shall promote and communicate the nature and intent of the Corporation to identified law firms and/or legal trainers to maintain and cultivate membership, follow up on prospective member inquiries, maintain membership records and General Meeting attendance records, actively welcome Members and guests to General Meetings and coordinate sign-in sheets and nametags, collect fees from non-Members and turn over said fees to the Treasurer, coordinate membership dues collection activities and record keeping with the Treasurer, and distribute the annual membership list to Members.

Section 5.05 Treasurer. The Treasurer shall maintain full and accurate financial records of the Corporation, including an accounting for all dues, receipts, and disbursements of the Corporation, deposit or cause to be deposited all money, evidences of indebtedness and other valuable documents of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate, present a related report at each

meeting of the Board of Directors and present an annual financial report to the Members at the Annual Meeting and at all other times as requested by the President.

Section 5.06 Past President. The Past President shall assist in facilitating a smooth transition from the outgoing directors to the incoming directors, ensure that all necessary duties are properly assigned to incoming directors, bring historical precedents to the attention of the Board of Directors in all of their deliberations and, if the occasion arises, serve as liaison with other organizations, including any national organization with which the Corporation may become affiliated.

Section 5.07 Vendor Representative. The Vendor Representative shall be an Vendor/Consultant Member who is affiliated with a technology services organization serving the legal community that is not a law firm or corporate legal department (a “Vendor Firm”) and shall represent Vendor/Consultant Member interests and research and present new ideas in technology for possible General Meeting topics.

Section 5.08 Advisor. The Board of Directors shall also appoint, at its discretion, an experienced Member to serve as an advisor to the Board (the “Advisor”) and to provide guidance and advice to the Board of Directors on a continuing basis. The Advisor shall not be a member of the Board of Directors but shall be entitled to attend all meetings of the Board of Directors as a non-voting observer (unless the Board of Directors determines that the Advisor should not be permitted to attend a meeting in light of the nature or subject matter of the meeting). The Advisor shall hold office until such time that he or she resigns or is replaced by the Board of Directors, which term may exceed one year.

## **ARTICLE VI - MEETINGS OF MEMBERS**

Section 6.01 Times. The Corporation shall hold a meeting of Members on the second Friday of every month, except August, December and as otherwise agreed by the Board of Directors to accommodate holidays or otherwise serve the best interests of the Corporation and its Members (such meetings, the “General Meetings”). Special meetings of the Members (“Special Meetings”) may be convened (a) by the Board of Directors at any time or (b) by Members entitled to cast 10% of the total number of votes entitled to be cast at such meeting. Members seeking to convene a Special Meeting must deliver a demand in writing to the Corporation specifying the date and month of the requested Special Meeting, which date shall not be less than two nor more than three months from the date of such written demand. Upon receiving any such written demand, the Vice President/Secretary shall promptly give notice of such meeting to the Members, and, if he fails to do so within five business days after receiving such notice, any Member signing such demand may give such notice.

Section 6.02 Notice. The Vice President/Secretary, or any other Officer designated by the Board of Directors, shall provide written notice, delivered to each Member personally or by mail (including electronic mail), of the place, date and hour of all General Meetings and any Special Meetings and, in the case of Special Meetings, shall indicate that such notice is being issued by or at the direction of the person or persons calling the meeting and state the purpose or purposes for which such Special Meeting is being called. Except as expressly provided in Section 6.01 of these Bylaws or otherwise as required by law, if such notice is given personally or by first class mail, it shall be given not less than ten (10) nor more than fifty (50) days prior to such meeting and otherwise not less than thirty (30) nor more than sixty (60) days prior to such meeting.

The Vice President/Membership will be responsible for sending a list of Members and guests attending each General Meeting to the law firm, corporation or Vendor Firm hosting the General Meeting via electronic mail at least five (5) days prior to each monthly meeting.

Section 6.03 Quorum. Unless otherwise required by law, one-tenth of the Members entitled to vote at a meeting of Members shall constitute a quorum for purposes of conducting business at any meeting of Members.

Section 6.04 Voting. Members shall be entitled to vote on only on the election of Officers (other than the Past President) as and to the extent described herein or any other matter that members of a not-for-profit corporation incorporated under the laws of the State of New York are required to vote on or otherwise approve; provided that the Board of Directors may from time to time submit certain other matters or corporate actions to the Members for approval. Each Member shall be entitled to one vote on all matters or corporate actions submitted to the Members for approval. Except as expressly set forth herein or as required by law, the affirmative vote of a majority of the Members present or voting by proxy at any meeting of the Members and entitled to vote on a corporate action or matter shall constitute approval of such corporate action or matter by the Members.

## **ARTICLE VII - COMMITTEES**

Section 7.01 General. In addition to the committees specifically listed below, the President may, with the approval of the Board of Directors, create such task forces and committees, consisting of directors, Members, non-Members or any combination of the foregoing, deemed necessary. Members of such committees shall be appointed by the President

and approved by the Board of Directors. These committees shall have only the powers specifically delegated to them by the Board of Directors.

Section 7.02 Nominating Committee. The Nominating Committee shall be a standing committee and shall administer nominations to and elections of the Board of Directors. The Nominating Committee shall consist of three directors selected by the Board of Directors. The Past President will not be eligible to serve on the Nominating Committee absent special approval from the Board of Directors. Members of the Nominating Committee will be announced to the Members at the September General Meeting.

Section 7.03 Programs and Events Committee. The Programs and Events Committee shall be a standing committee and shall plan General Meetings and special programs, structure workshops and implement program suggestions. The Programs and Events Committee shall consist of those Members and/or directors selected by the Board of Directors. Persons serving on the Programs and Events Committee shall serve for a term of one year from the date of their appointment and may serve multiple consecutive terms.

Section 7.04 Bylaws Committee. The Bylaws Committee shall be a standing committee and shall, subject to the requirements of law, suggest revisions and updates to these Bylaws to the Board of Directors. The Bylaws Committee shall consist of such persons selected by the Board of Directors from time to time.

Section 7.05 Website and Public Information Committee. The Website and Public Information Committee shall be a standing committee and shall oversee the production and distribution of the Corporation's information to the public and the business community via the Corporation's website and otherwise. The Website and Public Information Committee shall also

oversee and review edits and/or changes to the Corporation's website. The Website and Public Information Committee shall consist of those Members and/or directors selected by the Board of Directors. Persons serving on Website and Public Information Committee shall serve for a term of one year from the date of their appointment and may serve multiple consecutive terms. The Website and Public Information Committee shall choose one of its members to act as the Corporation's liaison with its webmaster and to report to the Board of Directors about website developments.

## **ARTICLE VIII - MISCELLANEOUS**

Section 8.01 Office. The principal office of the Corporation shall be located at such place within or without the State of New York as the Board of Directors may from time to time determine.

Section 8.02 Books. There shall be kept at the office of the Corporation correct books of account of the activities and transactions of the Corporation including a minute book, which shall contain a copy of the Corporation's certificate of incorporation, a copy of these Bylaws, all minutes of meetings of the Board of Directors and the Members and all records maintained by or under the supervision of the Vice President/Secretary and the Treasurer.

Section 8.03 Fiscal year. The fiscal year of the Corporation shall be November 1 through and including October 31.

Section 8.04 Conflict of Interest Policy. The directors serving on the Board of Directors shall abide by the terms of the Conflict of Interest Policy attached hereto as Annex A, which policy may be amended, amended and restated or otherwise modified from time to time by the Board of Directors.

Section 8.05 Indemnification. The Corporation may, to the fullest extent now or hereafter permitted by law, indemnify any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that he or she or his or her testator was a director, officers, employee or agent of the Corporation, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees. No indemnification may be made to or on behalf of any such person if (a) his or her acts were committed in bad faith or were the result of his or her active and deliberate dishonesty and were material to such action or proceeding or (b) he or she received a financial profit or other advantage to which he or she was not legally entitled.

Section 8.06 Insurance. The Corporation shall have the power to purchase and maintain insurance to cover the Corporation's obligations which it incurs as a result of its indemnification of directors, officers, agents and employees pursuant to these Bylaws or applicable laws, or to indemnify such persons.

## **ARTICLE IX - AMENDMENTS**

Section 9.01 These Bylaws may be amended by vote of the Board of Directors or by vote of the Members at the Annual Meeting, provided that any amendment proposed by a Member must be submitted in writing to the Board of Directors two weeks prior to the Annual Meeting at which it is to be voted upon.

## **ANNEX A**

### **CONFLICT OF INTEREST POLICY**

**Section 1.** Purpose. The purpose of the conflict of interest policy is to protect the Corporation's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Interested Person. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Section 2.** Definitions.

- (a)     “Board of Directors” means the board of directors of the Corporation.
- (b)     “Corporation” means Professional Legal Trainers Group, Inc., a New York Type A Not-for-Profit Corporation.
- (c)     “Director” means a director on the Board of Directors.
- (d)     “Interested Person” means any Director, Officer or member of a committee with powers delegated by the Board of Directors, who has a direct or indirect Financial Interest.
- (e)     “Financial Interest” means a direct or indirect (through business, investment, or family):
  - (i)     ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;

(ii) compensation arrangement with any entity or individual with which the Corporation has a transaction or arrangement; or

(iii) potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest will be considered to have a conflict of interest only if the Board of Directors decides that a conflict of interest exists

(f) “Officer” means an officer of the Corporation.

### **Section 3. Procedures.**

(a) An Interested Person has the duty to disclose the existence of any Financial Interest an Interested Person may have in any transaction or arrangement being contemplated or entered into by the Corporation. Any Interested Person so disclosing a Financial Interest shall be given the opportunity to disclose all material facts to the Board of Directors or, as applicable, members of the committee with Board of Directors-delegated powers that is considering the proposed transaction or arrangement.

(b) After disclosure of the Financial Interest and all material facts related thereto, and after any discussion with the Interested Person, the Board of Directors shall consider the matter without the Interested Person present. The disinterested Directors or committee members shall

decide, by a majority vote, if a conflict of interest exists based upon the information disclosed by the Interested Person.

(c) After exercising due diligence (including, if appropriate, the appointment of a disinterested director or committee to investigate alternatives to the proposed transaction or arrangement), the Board of Directors or applicable committee shall determine whether the Corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or applicable committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable.

(e) If the Board of Directors or applicable committee has reasonable cause to believe an Interested Person has failed to disclose Financial Interests, it shall inform such person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing such Interested Person's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the Interested Person has failed to disclose a Financial Interest in violation of this conflict of interest policy, it shall take appropriate disciplinary and corrective action.

**Section 4. Records of Proceedings.** The minutes of the Board of Directors and all committees with Board of Directors-delegated powers shall contain the names of the Interested Persons who disclosed or otherwise were found to have a Financial Interest in a transaction or

arrangement contemplated or entered into by the Corporation, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, the Board of Directors's or committee's decision as to whether a conflict of interest in fact existed, the names of the persons who were present for discussions, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Section 5. Compensation.**

- (a) A Director who receives compensation, directly or indirectly, from the Corporation for his or her services other than as a Director is precluded from voting on matters pertaining to that person's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for his or her services is precluded from voting on matters pertaining to such person's compensation.

**Section 6. Annual Statements.** Each Interested Person shall annually sign a statement which affirms that such person:

- (a) Has received a copy of the conflicts of interest policy;
- (b) Has read and understands the policy;
- (c) Has agreed to comply with the policy; and
- (d) Understands that the Corporation is a not-for-profit corporation, no commercial enterprises will be endorsed by the Corporation and that neither the name of the Corporation nor

any of its officers or directors in their official capacities as such may be used in connection with any commercial concern.

**Section 7. Periodic Reviews.** The Board of Directors shall commission periodic reviews to ensure the Corporation operates in a manner consistent with its purposes and does not engage in activities that could jeopardize its tax status. These periodic reviews shall, at a minimum, include the following subjects:

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

**Section 8. Outside Experts.** When conducting the periodic reviews as provided for in Section 7 above, the Corporation may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.