

**Date:** March 8, 2017

**To:** ISHLT Members of record as of February 27, 2017

**From:** Duane Davis, MD, MBA, Chair, ISHLT Governance Committee

**Re:** Proposed revised Bylaws of the International Society for Heart and Lung Transplantation (ISHLT)

Over the past several years, the Board of Directors has engaged in several undertakings that have resulted in a revised governance structure and governance practices that enable the Society to better govern the many programs and services that ISHLT now delivers to our members. Because of these changes and recent changes to Illinois non-profit corporation law, which ISHLT is subject to, a comprehensive update of the Society's Bylaws was necessary.

These Bylaws are now presented to you for review and will be subject to a vote at the Annual Business Meeting on Friday, April 7, 2017 at 9:30 am in the Seaport Ballroom, Manchester Grand Hyatt Hotel, San Diego, CA. All ISHLT members other than student/resident/emeritus/retired/ complimentary members may attend and vote at the Annual Business Meeting. The Bylaws were revised by the law firm of Wagenmaker & Oberley, with extensive input from the Governance and Executive Committees and the Executive Director. **The Board of Directors has reviewed in detail and approved the revised Bylaws and recommends that the members of ISHLT vote to approve the revised Bylaws.**

The Society's Bylaws function as a governance mechanism to provide instruction for how the Society is to be governed and operated as a nonprofit organization. The Bylaws are distinct from the Society's policies, which are secondary governance tools for the Board to approve and update as needed.

Bylaws should reflect four important characteristics. First, Bylaws should accurately reflect how the Society is actually governed and operated. Second, Bylaws should be internally consistent. Third, Bylaws should be legally compliant under applicable state law. Fourth, Bylaws should reflect "best practices" approaches for a nonprofit organization. It is also generally best to keep the highest level of governance mechanisms within the Bylaws and then develop policies as expanded, more flexible aspects of the organization's governance. The Society's new Bylaws reflect these qualities.

The Society's new Bylaws contain much of the substance reflected in its current Bylaws, but with much reorganization, clarification, and further development. Notable changes are as follows:

**Article III** – An educational mission has been added to the corporate purposes.

**Article V** – The membership meeting and voting language has been significantly developed to allow for more flexibility in voting processes and improved clarity, including allowance for voting by email or mail and to address additional membership considerations such as dues and applications in a separate policy.

**Article VI** – The Board provisions have been further developed, expanded, and otherwise updated, consistent with best practices. In particular, *ex officio* non-voting directors are now appointed at the Board's discretion (per separate policy).

**Article VII** – The provisions for Board meetings have been further developed, expanded, and otherwise updated, consistent with best practices. In particular, these sections address telephonic meetings as well as action without a meeting.

**Article VIII** – The provisions for officers have been significantly further developed, expanded, and otherwise updated, consistent with best practices. In particular, the secretary/treasurer office has been separated into two separate offices with terms of one year each.

**Article IX** - The committees provision sets forth the framework for the Society's committees, which may be with or without corporate authority and which include three designed committees. Per separate Board policy, additional committees may be constituted and developed.

**Article XI** – The financial policies language is consistent with best practices governance consideration and reflects ISHLT's current practices.

**Article XII** – The indemnification language patterns applicable law and provide maximum legal protection for the Society's directors and officers against potential personal liability.

**Article XIV** – The miscellaneous provisions include references to separate conflict of interest and dispute resolution policies and clarification that the Society does not have a corporate seal.

**BYLAWS OF THE INTERNATIONAL SOCIETY FOR HEART AND LUNG TRANSPLANTATION**

**ARTICLE I. DEFINITIONS**

The following terms used in these bylaws shall have the meanings set forth below.

1. “Act” means the Illinois General Not for Profit Corporation Act of 1986, as amended.
2. “Corporation” and “Society” (used interchangeably herein) each means the International Society for Heart and Lung Transplantation, an Illinois not-for-profit corporation.

**ARTICLE II. CORPORATE OFFICES**

The Corporation shall continuously maintain in the State of Illinois a registered office and a registered agent whose office is identical with such registered office. The Corporation may have other offices within or without the state and need not be identical with the principal office in the State of Illinois. The address of the registered office and registered agent may be changed from time to time by the Board of Directors (hereinafter the “Board”).

**ARTICLE III. CORPORATE PURPOSES AND LIMITATIONS**

Section A. GENERAL MISSION

The Corporation shall have such purposes as are now or may hereafter be set forth in the Articles of Incorporation as follows:

The Corporation is organized and operated exclusively for charitable and educational purposes in accordance with Section 501(c)(3) of the Internal Revenue Code of 1986 (or a corresponding provision of any future United States Internal Revenue law, referred to below as the “Code”). More specifically, the Corporation is organized and operated to improve the care of patients with advanced heart or lung disease through transplantation, mechanical support and innovative therapies via research, education and advocacy.

In furtherance of its above-stated corporate purposes, the Corporation shall carry out the following mission purposes:

1. Promoting the association of persons interested in the fields of heart and lung transplantation, end-stage heart and lung disease and related sciences;
2. Encouraging and stimulating basic and clinical research in heart and lung transplantation and end-stage heart and lung disease, and promoting new therapeutic strategies;
3. Holding scientific meetings featuring presentations and discussions relevant to heart and lung transplantation and the treatment of end-stage heart and lung disease;
4. Sponsoring a scientific journal for the publication of manuscripts related to these disciplines;
5. Maintaining an international registry for heart and lung transplantation;

6. Awarding research grants and establishing endowments for the study of heart and lung transplantation and end-stage heart and lung disease, when funds are available and without jeopardizing the financial well-being of the organization; and

7. Sponsoring and conducting educational activities and providing educational resources, which promote expert development and improve standards of care in advance heart and lung disease, heart and lung transplantation, and relevant medical and device therapies.

## ARTICLE IV. MEMBERSHIP

### Section A. MEMBERSHIP CLASS & ELIGIBILITY

Membership in the Corporation (“Members”) is open to all individuals who are committed to promoting and developing the knowledge, availability, and use of new therapeutic strategies in the fields of heart and lung transplantation and end-stage heart and lung disease, and who meet eligibility criteria established from time to time by the Corporation. There shall be four classes of Members:

1. Active Membership shall be open to all individuals actively engaged in transplantation medicine or related medical or commercial fields. Each Active Member shall be eligible to serve as an Officer or on the Board of Directors, to serve on Committees, and to hold Scientific Council leadership positions. Active Members shall have one (1) vote at any membership meeting provided that he or she is a member in good standing.
2. Associate Membership shall be open to all individuals in training (resident, fellow, medical student, nursing student, graduate student). Associate Members shall be assessed a reduced membership fee. Annual submission of a letter from the dean or chief documenting their status as an individual in training is required. No individual may maintain the status of Associate Member longer than three years. Associate Members have no voting rights and may not hold office, but they may serve on Committees.
3. Emeritus Membership shall be bestowed at the discretion of the Board of Directors upon individuals who are Active Members of the Society in good standing at the time of such Board designation, who have retired from active practice, and who, in the estimation of the Board of Directors, have made significant contributions to the Corporation. Emeritus members may not hold office or Scientific Council leadership positions, but may serve on Committees. The annual membership fee shall be waived for Emeritus Members. Emeritus Members shall have one (1) vote at any membership meeting provided that he or she is a member in good standing.
4. Retired Membership status shall be considered for all members who communicate such request to the Board of Directors. Such status shall be granted to all requesting members who have been members in good standing with the Corporation for the 10 years immediately prior to the request for retired status and who have retired from active medical practice. Retired members will not be required to pay annual membership dues, will not receive the Corporation’s journal publications of right, will not be eligible to vote, will not be able to serve on Committees or hold Scientific Council leadership positions, and will be identified as retired members in the annual membership directory. Retired status will be granted at the first Board of Directors meeting or conference call of the calendar year. Individuals who retire during the calendar year after paying membership dues for the year will not be considered for retired status

until such meeting. Individuals who are not members in good standing with the Corporation at the time of request will not be eligible for retired membership status.

#### Section B. VOTING RIGHTS

Only active and emeritus members shall have membership voting rights as set forth herein, which shall be for election of directors and certain officers, approval of any bylaw amendments, and any other matters that the Board of Directors shall bring before them.

#### Section C. MEMBERSHIP APPLICATION

Applications for admission as a member into the Corporation shall be made on forms approved by the Corporation and submitted with the appropriate fees and dues to the Headquarters Office of the Corporation. All applicants eligible and approved by the Corporation or its designee shall, upon payment of the prescribed dues and/or assessments, become members of the Corporation. The Corporation or its designee shall keep all members advised as to the receipt and disposition of the member's respective membership applications.

#### Section D. MEMBERSHIP DUES

The amount and method of scheduling annual membership dues and fees for the educational, scientific, and other activities of the Society, as well as the collection thereof, shall be fixed from time to time by the Board and set forth in a dues structure document kept current by the Corporation. Membership dues shall be paid to the Corporation and handled as the Corporation may direct consistent with these Bylaws. Annual membership dues shall be due on January 1 of each calendar year and must be paid on or before that date.

#### Section E. RENEWAL, SUSPENSION, OR TERMINATION OF MEMBERSHIP

The Board of Directors shall strive to ensure that the Corporation's members continue their membership through continued dues payment. A member's membership in the Corporation shall terminate automatically for failure to pay membership dues. In addition, any member may, by affirmative vote of a 2/3 majority of the voting directors of the Board, be suspended or terminated for conduct which, in the sole judgment of the Board, is injurious to the interests or welfare of the Society. The Board of Directors shall, at least once every twelve months, review the Corporation's roll of Members to evaluate membership status and follow up as it deems appropriate. The Board of Directors may otherwise address membership matters through separate policy documentation, consistent with the Bylaws.

#### Section F. RIGHTS UPON TERMINATION

All rights of membership in the Corporation or in its property shall immediately cease upon suspension or termination of membership.

#### Section G. REINSTATEMENT

Any individual whose membership has been terminated for non-payment of dues may be reinstated upon payment of the current year's dues. If termination occurred in a prior year, submission of a new membership application is required. Any individual whose membership has been terminated for any reason other than non-payment of dues may, upon a 2/3 majority vote of the Corporation's Board of Directors, be permitted to be reinstated under such terms and conditions as the Board determines are necessary and appropriate, including but not limited to the payment of reinstatement fees by the terminated member requesting reinstatement.

Section H. NON-ASSIGNMENT OF MEMBERSHIP

Membership is not a property right and may not be transferable or assignable.

Section I. MEMBERSHIP CERTIFICATES

The Corporation shall not be required to provide membership certificates.

**ARTICLE V. MEMBERSHIP MEETING AND VOTING**

Section A. ANNUAL MEETINGS

An annual meeting of the Members shall be held at such time and place as may be designated by the Board of Directors in accordance with the notice provisions herein below, in connection with the election of directors and officers, approval of any bylaw amendments, and for the transaction of such other business as may come before the meeting.

Section B. SPECIAL MEETINGS

The Board of Directors, President, or Members holding one-tenth of the votes entitled to be cast on a matter may call for additional special meetings of the members of the Society in such manner and format as they deem appropriate to the pursuit and advancement of the purposes of the Society and in accordance with the notice provisions herein below. Business transacted at all special meetings shall be confined to the purposes stated in the notice thereof.

Section C. NOTICE

1. Time. Except as otherwise provided herein, written notice stating the place, day, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, of the Members shall be delivered via U.S. mail or in person not less than five (5) days nor more than sixty (60) days prior to the date of the scheduled meeting.
2. Email. Notice requirements may be satisfied by sending an email communication in a timely manner to each member's email address on the Corporation's records.
3. Extraordinary Notice. Notice of no less than thirty days shall be provided for special meetings of members, including but not limited to those called for the purposes of amending the bylaws or removing a director as required under applicable Illinois law.
4. Waiver. Notice of any meeting of the Members may be waived in writing, signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a member at any meeting shall constitute a waiver of notice of such meeting except where a member attends a meeting for the expressed purpose of objection to the transaction of any business because proper notice was not given. Neither the business to be transacted, nor the purpose of any regular or special meeting, need be specified in the notice or waiver of such meeting, unless specifically required by law or by these bylaws.
5. Member Contact Information. Each member is responsible for communicating his or her email addresses and physical mail addresses to the Corporation's Secretary, so that accurate and current records may be maintained.

#### Section D. FIXING RECORD DATE FOR VOTING

For the purpose of determining the voting members entitled to notice of or to vote at any meeting of members, or in order to make a determination of members for any other proper purpose, the Board of Directors of the Corporation may fix in advance a date as the record date for any such determination of members, such date in any case to be not more than 60 days and, for a meeting of members, not less than 5 days, or in the case of a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than 20 days, immediately preceding such meeting. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is sent by the Corporation shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

#### Section E. INSPECTORS

At any meeting of members, the President of the meeting may, or upon the request of at least twenty (20) voting members shall, appoint one or more persons as inspectors for such meeting. Such inspectors shall ascertain and report the number of votes represented at the meeting, based upon their determination of the validity and effect of mailed or e-mailed ballots; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the members. Each report of an inspector shall be in writing and signed by him or her or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors.

#### Section F. VOTING AT MEETINGS, BY MAIL, OR BY E-MAIL

Eligible voting members may vote on any matters, whether at a duly called membership meeting or otherwise, by ballot in person, by mail, or by e-mail, as may be prescribed by the Board of Directors, and such voting may commence before an annual or special meeting takes place. Provided, however, that in the event of voting by mail and/or e-mail ballots, voting must remain open for not less than five (5) days from the date the ballots are delivered. Further, any such voting shall become effective only if, at least five (5) days prior to the effective date of such vote, a notice in writing of the proposed action is delivered to all members entitled to vote with respect to the subject matter thereof, in accordance with Section C above.

#### Section G. QUORUM AND MANNER OF ACTING

Thirty (30) members entitled to vote, present in person, voting by mail ballot, or voting by e-mail ballot, shall constitute a quorum of members sufficient to take membership action. Except as otherwise provided in these bylaws or by applicable law, the vote of a majority of the votes entitled to be cast by the members present at a meeting, voting by mail, or voting by e-mail, and with such quorum, shall constitute the action of the members with respect to the matters voted upon.

### **ARTICLE VI. BOARD OF DIRECTORS**

#### Section A. GENERAL POWERS

The affairs, property, business and all legal matters of the Corporation shall be managed by its Board of Directors.

## Section B. NUMBER AND TENURE

The number of directors shall be sixteen (16), including the officers, and it may increase up to twenty-one (21), without amending the bylaws, by a resolution of the Board of Directors. The Board of Directors may from time to time, by amendment of these bylaws, change the minimum and maximum number of directors, but in no case shall the number be less than three (3). The Board's composition shall strive to reflect the diversity of the Society's membership.

The Corporation's Executive Director shall not be elected but instead shall serve as an *ex officio* non-voting member of the Board without any prescribed term.

The Board of Directors may appoint additional *ex officio*, non-voting directors, who likewise shall be counted for purposes of notice but not for quorum and shall serve at the Board's pleasure. The Board shall determine eligibility criteria, responsibilities, and other guidelines for such appointed directors in the Board's discretion, as prescribed in separate policy documentation.

Each elected director shall hold office for a term of approximately three (3) years, commencing immediately after the conclusion of the Board meeting held on the last day of the Corporation's Annual Meeting of the membership, unless the Board shall expressly resolve for the voting members to elect a director for a shorter term. Notwithstanding the limitation on the term of office, each such director shall hold office until his or her successor shall have been elected and qualified. Elected Directors may serve an unlimited number of terms, but only two full terms may be served consecutively. After any such director serves two full consecutive terms, he or she shall be required to leave the Board for a period of one year before being reelected to serve on the Board. Provided, however, that a director who is also serving as an officer of the Corporation shall continue as a director thereof for so long as he or she serves as an officer.

## Section C. QUALIFICATIONS

Those who seek to be directors of the Corporation must personally affirm the Corporation's statement of purpose, must abide in all respects with the corporate policies set forth in these bylaws and elsewhere, and must characterize personal commitment to the mission, purpose, and values of the Corporation.

## Section D. ELECTION

Elected directors shall be elected by a majority vote of voting members by ballot, in accordance with Article V, Sections F and G above. Each elected director shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; or until his or her death or disability, or until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided.

## Section E. FIDUCIARY DUTIES

Directors are legally required to fulfill the following fiduciary duties to the Corporation:

1. Duty of Diligence. Directors ultimately hold full non-delegable responsibility for the Corporation's actions and well-being. Directors are required to carry out their board responsibilities with careful attentiveness and dedication – attending meetings, actively participating in board deliberations, seeking outside counsel and guidance as appropriate; and ensuring that all state and federal taxes, registrations, returns, and other financial reports required under applicable laws are timely filed.

2. Duty of Loyalty. Directors must always act in the best interests of the Corporation. This applies to not only decisions that involve their own personal or business loyalties, but also those of other key employees, directors, and officers involved in the Corporation. Directors shall comply at all times with the Conflict of Interest Policy at Addendum A; and shall refrain from making non-program loans, gifts, or advances to any person, except as permitted under the Act.
  
3. Duty of Obedience. Directors are required to ensure that the Corporation's activities adhere and conform to the charitable, educational, and scientific purposes set forth in the Corporation's purpose statement at Article III, Section A above; and to utilize the assets of the Corporation for the best interest of the Corporation's beneficiaries. They are to avoid wasting charitable assets. This includes, but is not limited to incurring penalties, fines, and unnecessary taxes.

#### Section F. RESIGNATION AND REMOVAL

An elected director may resign at any time by delivering written notice to the President of the Corporation. Such resignation will be effective as determined by the Board of Directors. Any director may be removed with or without cause at any time by resolution adopted by a 2/3 majority vote of the directors of the Board.

#### Section G. VACANCIES

Any vacancy occurring in the Board of Directors to be filled by reason of any increase in the number of directors or resignation or termination of a director may be filled by the Board of Directors as soon as is practicable. Any director appointed by the Board of Directors to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

#### Section H. CONFIDENTIALITY

As part of their fiduciary duties owed to the Corporation, all directors, officers, committee members, and other agents of the Corporation are expected to maintain appropriate confidentiality of information related to the Corporation, including donor and supporter lists and related records, fundraising strategies, financial information about the Corporation, organizational plans, marketing information, expense information, personnel matters, and computer passwords (all whether in electronic or paper format), and to prevent unauthorized disclosure to any outside party, except to the extent such information is otherwise disclosed in accordance with the ordinary course of business to the public or third parties or otherwise is required to be disclosed under applicable law. Such confidentiality is expected to be maintained at all times subsequent to service to the Corporation. Each director, officer, and key employee shall annually complete a confidentiality agreement. Notwithstanding the dispute resolution provision contained in Addendum B, the Corporation may enforce this provision as it deems appropriate (including mediation and arbitration at its option), and it shall be entitled to recover attorneys' fees and costs against those found liable for violating this provision.

## ARTICLE VII. MEETINGS OF THE BOARD OF DIRECTORS

### Section A. ANNUAL AND REGULAR MEETINGS

An annual or a regular meeting of the Board of Directors shall be held at such other time and place as may be designated by the President of the Board in accordance with the notice provisions herein below, for the purpose of approving an annual budget, and for the transaction of such other business as may come before the meeting.

### Section B. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by, or at the request of, the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place for holding any special meeting of the Board of Directors called by them.

### Section C. NOTICE

1. Time. Except as otherwise provided herein, written notice of any meeting of the Board of Directors shall be delivered not less than five (5) days nor more than sixty (60) days) prior to the date of the scheduled meeting.
2. Email. Notice requirements may be satisfied by sending an email communication in a timely manner to the director's email address on the Corporation's records. Telephone communications may be useful for establishing the time and place of meeting but shall not be used in lieu of the email notice. At any duly convened meeting of the Board a resolution may be approved concerning future meetings of the Board. Timely emailing of the Board minutes to each director may qualify as notice of the next meeting of the Board if the portion of the minutes concerning the next meeting is clearly set forth and concise in its composition.
3. Extraordinary Notice. Notice of no less than twenty days shall be provided for meetings of directors called for the purposes of amending the bylaws.
4. Waiver. Notice of any meeting of the Board of Directors may be waived in writing, signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the expressed purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of such meeting, unless specifically required by law or by these bylaws.

### Section D. QUORUM

A majority of the voting directors then in office shall constitute a quorum for the transaction of the business at any meeting of the Board of Directors, provided that if fewer than half of the voting directors are present at the said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

Section E. MANNER OF ACTING

The act of a majority of the directors present and voting at a duly convened meeting shall be the act of the Corporation unless the act of a greater number is required by statute, these bylaws or the Articles of Incorporation. Directors may not vote by proxy or under any other power of attorney. All board meetings shall be subject to confidentiality requirements as contained herein.

Section F. TELEPHONE MEETING

Any meeting of the directors may be conducted in simultaneous multiple locations if the various locations are effectively connected by telephonic or other communications equipment. Directors may participate in and act at any meeting of the Board or committee through the use of such equipment, provided all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating. Absent written request at least five (5) days prior to a meeting for telephonic or other electronic access, any objection regarding the lack of such access shall be deemed waived.

Section G. ACTION WITHOUT A MEETING

Any action which may be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent in writing setting forth the action so taken shall be approved in writing by all of the directors or all of the members of such committee entitled to vote with respect to the subject matter thereof, as the case may be. A director who has a conflict of interest shall not be entitled to vote. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval. Consent provided by reply email from a director's email address shall be sufficient to constitute written consent, as well as consent via electronic signature. All the approvals evidencing the consent shall be delivered to the Corporation's Secretary to be filed in the Corporation's records. The action taken shall be effective when all the directors or the committee members, as the case may be, have approved the consent unless the consent specifies a different effective date. In the event that a voting director is entitled to vote but abstains from such approval hereunder, no action may be taken as provided hereunder.

## **ARTICLE VIII. OFFICERS AND OTHER AGENTS**

Section A. OFFICERS

The officers of the Corporation shall consist of a President, the immediate past President, the President-Elect, Secretary, and Treasurer. Any two (2) or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person concurrently. All officers must serve as Directors of the Corporation.

Section B. QUALIFICATIONS

Those who seek to be officers of the Corporation must personally affirm the Corporation's statement of purpose, must abide in all respects with the corporate policies set forth in these bylaws and elsewhere, and must characterize personal commitment to the mission, purposes, and values of the Corporation.

### Section C. ELECTION, TERM OF OFFICE, AND VACANCIES

1. The President-Elect, the Secretary, and the Treasurer shall be elected at the annual meeting of the Members, in accordance with Article VI, Section D above (Elections). In the event of any vacancy during such officers' terms, the Board may appoint a person to fill such a vacancy for the unexpired term thereof. (For transitional purposes, the person serving as Secretary/Treasurer at the time these bylaws are adopted shall continue serving as Treasurer for one additional year of his term, and the Board shall appoint a person to serve as Secretary.)
2. The President-Elect will succeed to the office of President upon completion by the President of his term in office or upon any earlier vacancy in the office of President. Provided, however, that in the event the President-Elect becomes unavailable to so succeed to the office of the President, the President shall be elected by the Members at its annual meeting.
3. The President shall succeed to the office of Immediate Past President upon completion of his term in office. In the event the President becomes unavailable to so succeed to the office of Immediate Past President, such office shall remain vacant until a successor President becomes eligible for such office.
4. The President, President-Elect, Immediate Past President, Secretary, and Treasurer shall serve a term of one (1) year, commencing immediately after the conclusion of the Board meeting held on the last day of the Corporation's Annual Meeting of the membership.
5. The Secretary and Treasurer officer positions are each subject to a maximum of three full one-year consecutive terms.
6. Each officer shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; until his or her death or disability; until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not in itself create contract rights.

### Section D. PRESIDENT

The President shall preside at all meetings of the members and of the board of directors, shall be the chairperson of the executive committee, and shall be an ex-officio member of all other standing committees. Between meetings of the Board of Directors and the executive committee, the executive director shall report to the President, and the President shall be the representative of the Board in matters regarding the interpretation and implementation of policies established by the board. The President shall discharge all duties incident to the office of President and such other duties as may be assigned to him or her by the Board from time to time.

### Section E. PRESIDENT-ELECT

The President-Elect shall assist the President in the discharge of his or her duties, as the President may direct, and shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of the President, or in the event of the President's inability or refusal to act, the President-Elect shall perform the duties of the President, and when so acting, shall have all of the powers of, and be subject to all of the restrictions upon, the President. The President-Elect shall also perform such other duties as are appropriate to the office of President-Elect or vice-president. Upon the termination of the President's term of office, upon its expiration or for any other reason, the President-Elect shall become President of the Corporation. He or she shall have such powers and discharge such duties as may be assigned to him or her from time to time by the Board.

Section F. IMMEDIATE PAST PRESIDENT

The Immediate Past President shall assist the President in the discharge of his or her duties, as the President may direct, and shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section G. SECRETARY

The Secretary shall: (a) be responsible for the keeping of the minutes of the Board and committee meetings in one or more books provided for that purpose; (b) ensure that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) ensure corporate records, including all notices and voting records, whether in electronic or paper form are maintained; and (d) in general, discharge all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board.

Section H. TREASURER

The Treasurer shall be responsible for (a) monitoring the financial books of the Corporation; (b) ensuring that regular books of account are maintained and available for inspection at all times to the directors of the Corporation; (c) rendering to the Board from time to time as may be required of him or her, an account of the financial condition of the Corporation; and (d) in general, discharging all duties incident to the office of Treasurer, and such other duties as may be assigned to him or her by the President or by the Board.

Section I. EXECUTIVE DIRECTOR

If an Executive Director is hired, he or she shall not be an officer or a voting director of the Board. He or she shall supervise and be principally responsible for the day-to-day administrative management of the Corporation. The Executive Director shall work closely with and reports directly to the President and the Board to ensure that all corporate functions are adequately carried out. The duties and responsibilities of the Executive Director shall include: (a) carrying out all policies established by the Board; (b) electing, employing, training, controlling and discharging all other employees of the Corporation; (c) attending all meetings of the Board; (d) preparing and presenting to the Board regular reports reflecting accomplishment of corporate goals and the Corporation's mission; and (e) any other duties and responsibilities as may be assigned to him or her by the President or by the Board. The Executive Director shall be an ex officio, non-voting Director of the Board who shall be counted for purposes of notice, but not quorum.

Section J. DELEGATION OF AUTHORITY

In case of the absence of any officer of the Corporation, or for any other reason that it may deem sufficient, the Board may either delegate the powers or duties of such officer to any director or employee or agent of the Corporation, for the time being, or may eliminate some or all of such powers or duties of such officer, provided a majority of the entire Board concurs therein.

Section K. REMOVAL

An elected officer may resign at any time by delivering written notice to the President of the Corporation. Such resignation will be effective as determined by the Board of Directors, and shall automatically result in such person's resignation as director too. Any officer or agent may be removed by a two-thirds majority of all voting directors of the

Board, whenever, in the Board's judgment, the best interest of the Corporation shall be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

## ARTICLE IX. COMMITTEES

### Section A. APPOINTMENT OF COMMITTEES AND COMMITTEE MEMBERS

The Corporation's Board of Directors shall have the power to appoint standing and special committees by resolution of the Board and accompanying governance policies. The resolution of the Board creating the standing or special committee shall specify (1) the task(s) assigned to the committee; (2) whether or not the committee has authority to act on behalf of the Corporation (see Sections B & C of this Article), and (3) the duration of the committee, which may be generalized to a period necessary to bring the matter to full resolution. Unless otherwise designated by the Board, all committee members shall be appointed for one (1) year terms by the Board of Directors beginning at the conclusion of each year's Annual membership meeting. The Board shall also designate an individual to serve as chair of each committee, unless otherwise designated by the Board.

### Section B. COMMITTEES WITH CORPORATE AUTHORITY

The Board of Directors may appoint committees that are delegated certain authority generally reserved to the Board, provided such authority is not prohibited for delegation under the Act. Committees with corporate authority must have two or more directors; a majority of its membership must be directors; and all the committee members shall serve at the pleasure of the Board.

### Section C. COMMITTEES WITHOUT CORPORATE AUTHORITY

The Board of Directors may appoint committees without corporate authority. These committees may be responsible for a wide variety of matters including scientific programs, board development, education, finances, grants and awards, international issues, board nominations, and registries and databases. Such committees may carry out the Corporation's work, subject to the Board's oversight, as well as make recommendations to the Board of Directors or officers for approval. The committees shall not have authority to bind the Corporation. Such committees shall be identified by the Board of Directors in its discretion. These committees may be composed of persons appointed for specific skills and need not be directors or officers of the Corporation.

### Section D. STANDING COMMITTEES

The Corporation shall have the following standing committees, with specific responsibilities as set forth below or otherwise as the Board may determine:

1. Executive Committee. The Executive Committee shall be a standing committee with corporate authority responsible for overseeing the Corporation and shall have full authority to act on behalf of the Corporation, to address matters in an interim basis at the President's request, and otherwise in such matters as delegated to it by the Board of Directors. The Executive Committee shall timely report on all such matters to the Board. The Executive Committee shall meet at least once between Board meetings and additionally, as necessary to carry out the policies and resolutions established by the Board. The Executive Committee shall be composed of the President, President-Elect, immediate past President, Secretary, Treasurer, and Executive Director (in a non-voting capacity). The President shall be the chair of the Executive Committee.

The Executive Committee shall advise the Board of Directors in a timely manner of any decisions made, and such decisions must be put forth for ratification by the Board of Directors at the next meeting of the Board. Decisions of the Executive Committee shall be made by majority vote of the Committee members present. Two-thirds of the members of the Executive Committee shall constitute a quorum for the transaction of business. The Executive Committee does not have the power or authority to revise any action taken by the Board of Directors.

2. Governance Committee. The Governance Committee shall be a standing committee without corporate authority and shall propose and/or consider proposed amendments to the Bylaws and will present amendments first to the Board of Directors for approval and then to the membership for vote. The Governance Committee shall also prepare a slate of proposed officers and directors to be elected, and it shall present such slate to the Board of Directors at a meeting at least ninety (90) days prior to the annual meeting. The Board of Directors may modify the slate as they deem necessary. The slate shall be distributed via mail or email to the members at least 30 days prior to the Members Annual Meeting. The Immediate Past President shall be the chair of the Governance Committee.

3. Finance Committee. The Finance Committee shall be a standing committee without corporate authority and shall work with the Executive Director in the development of the Corporation's annual budget, and shall oversee the performance of the Corporation in light of that budget throughout the fiscal year. The Finance Committee also shall review the independent auditor's report, oversee the Corporation's investments, address other financial matters as delegated to it by the Board, and provide general guidance to the Board related to the fiscal well-being of the Corporation. At least once a year, the Treasurer, working with the Finance Committee, shall ensure that financial statements including income, expenses, and balance reports are developed for the Board's review. The Treasurer shall be the chair of the Finance Committee.

4. Other Standing Committees. The Board shall have other standing committees as it may establish by separate policy.

The term of office for all standing committee members shall be one (1) fiscal year unless specifically designated otherwise by the Board in a separate policy document or by a resolution appointing the committee members.

#### Section E. SPECIAL COMMITTEES

The Corporation shall have the power to appoint special committees, including advisory councils, by a resolution of the Board of Directors. These committees may or may not have authority to act on behalf of the Corporation and shall generally be created to manage a specific task or responsibility of limited duration for the Corporation. A resolution of the Board creating a special committee shall specify: (1) the task assigned to the committee; (2) whether or not the committee has authority to act on behalf of the Corporation, (3) the duration of the committee which may be generalized to a period necessary to bring the matter to full resolution, and (4) the term of office for the committee members appointed.

#### Section F. MEETINGS OF COMMITTEES WITH OR WITHOUT CORPORATE AUTHORITY

Meetings of any committee with corporate authority may be called by the President of the Corporation, the chairperson of the committee, or a majority of the committee's voting members. Notice of the time and place of any meeting of a committee shall be given at least three (3) days prior to the meeting, and otherwise in accordance with

Article VII, Sections C(2) and C(3). All committee meetings shall be subject to confidentiality requirements as contained in Article VI, Section I herein. Meetings of committees without corporate authority shall be conducted as the respective committee chair may determine, subject to the Board's general oversight.

Section G. RESIGNATION AND REMOVAL

Any member of a committee may resign at any time by giving written notice to the chairperson of the committee or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any member of a committee may be removed at any time by the Board of Directors, in accordance with Article VII, Section E (Board manner of acting).

Section H. QUORUM AND MANNER OF ACTING

Unless otherwise provided in the resolution of the Board designating a committee, a majority of a committee's members shall constitute a quorum for the transaction of the business at any meeting of a committee with corporate authority, provided that if less than a majority of committee members are present at the said meeting, a majority of the committee members present may adjourn the meeting to another time without further notice. Comparable requirements for a committee without corporate authority shall be determined by the respective committee chair, subject to the Board's general oversight.

Unless otherwise provided in the resolution of the Board designating a committee, the act of a majority of committee members present at a meeting with a quorum shall be the act of the committee. All committee members shall be notified in advance of all meetings of the committee. A committee may otherwise conduct its meetings and act in accordance with Article VI, Sections F and G.

## **ARTICLE X. SCIENTIFIC COUNCILS**

Section A. APPOINTMENT OF SCIENTIFIC COUNCIL MEMBERS

All members of the Corporation will be invited to participate in the activities of the Scientific Councils ("Councils"), which shall be committees without corporate authority, constituted as provided herein, and otherwise operated as the Board of Directors may determine. The purpose, number, and specific designations of the councils will be determined by the Board based on the scientific interests and constituencies of the Members. All council members may select affiliations with various Councils depending on individual preferences and interest and for indefinite duration. The Board shall also designate leadership for each Council per separate policy documentation.

Section B. SCIENTIFIC COUNCIL MEETINGS

The Councils will be allotted time during the Annual Meeting to meet and discuss specific areas of interest including scientific, organizational, and educational issues, as determined by the Council Chair. All Members may attend any Council meeting.

## ARTICLE XI. FINANCIAL POLICIES

### Section A. FISCAL YEAR

The fiscal year of the Corporation shall be from January 1<sup>st</sup> to December 31<sup>st</sup>.

### Section B. SALE OF ASSETS

A sale, lease, exchange, mortgage, pledge or other disposition of property or assets of the Corporation outside the normal course of business may be made by the Board upon such terms and conditions and for such considerations, which may consist in whole or in part of the money or property, real or personal, as may be authorized by the Board; provided, however, that a sale, lease, exchange or other disposition of all or substantially all of the property and assets of the Corporation shall be authorized only upon receiving the vote of a two-thirds majority of all voting directors of the Board.

### Section C. BUDGET; UNBUDGETED EXPENDITURES

The Board shall develop and approve an annual budget, based on the Corporation's dues, fees, and other sources of revenues. The Corporation's officers, Executive Director, and other agents may spend the Corporation's funds only in accordance with the Corporation's spending policy and otherwise as the Board may direct.

### Section D. CONTRACTS

The President may sign contracts with another officer of the Corporation provided, however, that the Board may authorize him or any other officer or officers, agent or agents, to enter into any contracts or execute and deliver any instrument in the name of and on behalf of the Corporation, individually or together, and such authority may be general or confined to specific instances.

### Section E. LOANS

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

### Section F. CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

### Section G. DEPOSITS

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

### Section H. GIFTS

The Board of Directors or the President may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

Section I. IRS FORM 990

Each Director of the Board shall be provided with a copy of the Corporation's annual IRS Form 990 and shall be responsible for reviewing it before its submission.

**ARTICLE XII. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section A. INDEMNIFICATION

To the fullest extent permitted by law, the Corporation shall have powers to indemnify any director, officer, or former director or officer, or employees or agents of the Corporation, or any person who may have served at its request as a director or officer of another entity or joint venture, whether for profit or not-for-profit, against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being or having been such director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or intentional misconduct in the performance of a duty.

Such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under agreement, or a recommendation of the Board of Directors, or otherwise. No indemnification or advancement of expenses shall be made under this Article if such indemnification or such advancement of expenses would be inconsistent with: (i) the provisions of Section 501(c)(3) or Section 4958 of the Code or the Treasury Regulations promulgated thereunder; (ii) a provision of the Corporation's Articles of Incorporation or these Bylaws; (iii) applicable state law; or (iv) a resolution of the Board of Directors or other proper corporate action, in effect at the time of the occurrence of the event giving rise to the alleged cause of action asserted in the threatened or pending action or proceeding, which prohibits or otherwise limits such indemnification or such advancement of expenses.

Section B. INSURANCE

The Corporation shall maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer employee or agent of another corporation, limited liability company, partnership joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense liability or loss under the Act or a corresponding provision of any future Illinois state law.

**ARTICLE XIII. CORPORATE LIMITATIONS**

Section A. Distributions

The Corporation, being organized exclusively for charitable, educational, and scientific purposes, may make distributions to organizations and individuals in furtherance of its corporate purposes and in accordance with Section 501(c)(3) of the Code.

Section B. Prohibition Against Private Benefit and Inurement

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III, Section A above.

Section C. POLITICAL ACTIVITY

No substantial part of the activities of the Corporation shall be to attempt to influence legislation by propaganda or otherwise, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Section D. OTHER PROHIBITIONS

The Corporation shall not carry on any other activities not permitted to be carried on (1) under the Act or Illinois Charitable Trust Law; (2) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code; or (3) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section E. DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code and be engaged in activities substantially similar to those of the dissolving corporation, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the appropriate court of law of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for exempt purposes.

#### **ARTICLE XIV. MISCELLANEOUS**

Section A. BOOKS AND RECORDS

The Corporation, at its offices, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and standing committees, and shall keep a record of the names and addresses of all Board and committee members. All books and records of the Corporation may be inspected by a director, or his agent or attorney, at any reasonable time.

Section B. ADDITIONAL POLICIES

The Board in its discretion may develop and maintain corporate policies to further address matters covered herein or otherwise in furtherance of its tax-exempt purposes, including but not limited to internal financial policies, employment policies, investment policies, a whistleblower policy, and a document retention policy.

Section C. AMENDMENTS

The Articles of Incorporation and these Bylaws may be altered, amended or repealed, and new articles and bylaws may be adopted by a majority vote of the voting members participating at any meeting or other membership vote called for that purpose, after prior approval and recommendation of the Board of Directors by a vote of a two-thirds majority of all voting directors of the Board. Notice of the proposed amendment (including the suggested text of the change) shall be given in writing to all directors and members per the requirements of Article VI, Section C herein, and shall identify the persons proposing the amendment. The Governance Committee is responsible for receiving, generating and otherwise considering proposed amendments, and then providing them to the Board of Directors.

Section D. CORPORATE ACQUISITION, CONSOLIDATION, MERGER, OR DISSOLUTION

In the event of a proposed acquisition, consolidation, merger or dissolution, the Board of Directors shall evaluate such matters carefully. No acquisition, merger, or other dissolution shall be adopted unless approved by a vote of a two-thirds majority of all voting directors of the Board, adopted in accordance with a plan setting forth the terms and conditions of the proposed transaction and such other provisions with respect to the proposed transaction as are deemed necessary under applicable state law or desirable, and upon advance notice to the membership of at least thirty (30) days of such proposed action Conflict of Interest Policy.

Section E. CONFLICT OF INTEREST POLICY

The Corporation shall maintain one or more conflict of interest policies, to address all actions and decisions by the Corporation's Board of Directors as well as matters involving the Corporation's membership.

Section F. DISPUTE RESOLUTION POLICY

The Corporation shall maintain a dispute resolution policy to address disputes arising between two or more persons operating under the authority of these bylaws. Provided, however, that with respect to breaches of confidentiality as required herein, the Corporation may at its option protect its interests through injunctive and other judicial relief available through litigation.

Section G. SEAL

The Corporation shall not maintain a corporate seal.

Section H. INCONSISTENCIES WITH ARTICLES OF INCORPORATION

If any provision of these bylaws is inconsistent with a provision of the Corporation's Articles of Incorporation, as amended from time to time, the Articles of Incorporation shall govern.

Section I. SEVERABILITY

The invalidity or unenforceability of any provision in these bylaws shall not affect the validity or enforceability of the remaining provisions.