

BYLAWS
OF
UNITED STATES ASSOCIATION FOR SMALL BUSINESS AND ENTREPRENEURSHIP,
an Illinois Not for Profit Corporation.

ADOPTED ON _____, 2020.

ARTICLE I
Purposes and Goals

The UNITED STATES ASSOCIATION FOR SMALL BUSINESS AND ENTREPRENEURSHIP, is organized under the Not for Profit Corporation Act of Illinois (hereinafter "Corporation" or "USASBE").

Corporation received a determination of exempt status from the United States Internal Revenue Service on June 18, 1997.

SECTION 1. NAME. The name of the Corporation shall be "UNITED STATES ASSOCIATION FOR SMALL BUSINESS AND ENTREPRENEURSHIP."

SECTION 2. LOCATION. The principal office of the Corporation shall be 100 N. Merchant Street, Decatur, IL 62523. The registered agent and registered office shall be selected by a majority vote of the Board of Directors.

SECTION 3. OBJECTIVES AND GOALS. As set forth in the Corporation's Articles of Incorporation the purpose of the Corporation is as follows: USASBE is an inclusive community advancing entrepreneurship education through bold teaching, scholarship, and practice.

Adherence to this mission shall be the underlying principle upon which all activities and initiatives of the Corporation shall be guided and upon which the success of the Corporation shall be judged.

Additionally, the Corporation may exercise all powers now, or hereafter granted, by the General Not for Profit Corporation Act of 1986 of Illinois (the "Act") or by the then applicable act by virtue of where Corporation is then domesticated, which may be necessary or appropriate to effectuate any and all of the foregoing purposes.

ARTICLE II
Members

SECTION 1. CLASSES OF MEMBERS. Corporation shall have one (1) class of voting membership and two (2) classes of non-voting membership. The Board of Directors may create additional non-voting membership classes or eliminate non-voting membership classes in the board's sole discretion. The designation of each class and the qualifications of the members of each class shall be as follows:

- A. Qualifications. Any individual or organization subscribing to the purposes and objectives of the Corporation as set forth hereinabove or in the Article of Incorporation shall be eligible for members.
- B. Voting Membership Class. This class shall include, but is not limited to, such persons as educators, business owner-managers, entrepreneurs, government officials, students and other management professionals from the United States and abroad.
- C. Non-Voting Classes:
 - i. Contributing. This class shall include, but is not limited to, such non-academic institution sponsors and conference exhibitors.
 - ii. Emeritus. This class shall include any individual who has been an active member of the Association for the past five (5) continuous years as an Individual Member, as provided herein, and has retired from full time participation in their respective profession.

SECTION 2. ADMISSION OF MEMBERS. Applicants seeking admission as a Member of the Corporation shall file an application for membership with the Corporation via the USASBE membership portal located on the Corporation's website. Admission to membership shall be granted in the discretion of the President/Chief Executive Officer to such applicants who complete the application, pay one year's dues, and otherwise meet the qualifications of membership.

SECTION 3. VOTING RIGHTS. Each member of the Voting Membership Class shall be entitled to one vote on each matter submitted to a vote of the members. The following matters shall be the only matters on which the Voting Membership Class (and any Members) are entitled to vote: (i) the election of directors, (ii) revisions and modifications to the articles of incorporation, and (iii) revisions and modifications to the matters that are required to be submitted to a vote of Voting Membership Class. All other items not specifically listed herein are specifically reserved for vote and decision by the Board of Directors, not the membership. Items reserved for vote and decision by the Board of Directors, include, but are not limited to (i) dissolution of the Corporation, (ii) merger of the Corporation, (iii) domestication of the Corporation in any state, (iv) the selection of Officers of the Corporation, (v) revisions to bylaws, (vi) the number, term, and manner of selection of the Directors and Officers of the Corporation and (vii) selection of employees and other personnel of the Corporation.

SECTION 4. TERMINATION OF MEMBERSHIP. The Board of Directors by affirmative vote of two thirds of all of the members of the board may suspend or expel a member for cause after an appropriate hearing and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership or suspend or expel any member who shall be in default in the payment of dues, if any. "Cause" shall include, but not be limited to the member becoming ineligible for membership; violating the articles of incorporation, the bylaws, or duly adopted policies of the Corporation; or for unprofessional conduct or fraud.

SECTION 5. FAILURE TO PAY. Members who fail to pay their fees, dues, or assessments within thirty (30) days from the date they become due, without further notice and without hearing, shall be dropped from the membership rolls and thereupon forfeit all rights and privileges of membership; provided, however, that the Board of Directors, by rule, may prescribe procedures for extending the time for payment of fees, dues, and assessments and continuation of membership privileges upon request of a member and for good cause shown.

SECTION 6. RESIGNATION. Any member may resign by filing a written resignation with the secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid.

SECTION 7. REINSTATEMENT. For any member terminated for "Cause" as defined in Section 4 above, upon written request of such former member, filed with the secretary, the Board of Directors may, by the affirmative vote of two thirds of the members of the board, reinstate such former member to membership on such terms as the Board of Directors may deem appropriate. Notwithstanding, if the former member was terminated for any reason relating to the non-payment of membership dues, readmission as a member shall be granted in the discretion of the President/Chief Executive Officer.

SECTION 8. TRANSFER OF MEMBERSHIP. Membership in this Corporation is not transferable or assignable.

SECTION 9. NO MEMBERSHIP CERTIFICATES. No membership certificates of the Corporation shall be required.

ARTICLE III Meetings of Members

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on the **Third Friday of June** of each year for the transaction of such other business as may come before the meeting. No meeting shall be held on a Sunday or a legal holiday. If one is scheduled, the meeting shall instead be held at the same hour on the next succeeding business day. The date of the Annual meeting may be changed by action of the Board of Directors.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the President/Chief Executive Officer or the Board of Directors, or by not less than twenty percent (20%) of the members having voting rights, for the purpose or purposes stated in the call of the meeting.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting is otherwise called, the place of meeting shall be the principal office of the Corporation. Notwithstanding the foregoing, meetings do not need to be held at a geographic location if the meeting is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote

on matters submitted to the members, pose questions, and make comments. Further notwithstanding the foregoing, all meetings of the members of the Corporation shall provide a option to attend and participate by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than 10 nor more than 60 days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, or dissolution, or a sale, lease, or exchange of assets, not less than 20 nor more than 60 days before the date of the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the Corporation, with postage thereon prepaid. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. If electronically communicated, the notice of a meeting shall be deemed delivered when such notice is sent to the electronic address designed by the member for receipt of notices. All members consent to receipt of notices at the email address associated with their application for membership and if a member desires to change such email address, member shall communicate such change to the President/Chief Executive Officer in writing.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required by the Act to be taken at any annual or special meeting of the members entitled to vote, or any other action which may be taken at a meeting of the members entitled to vote, may be taken by (1) ballot without a meeting, in writing by mail, e-mail, or any other electronic means pursuant to which the members entitled to vote thereon are given the opportunity to vote for or against the proposed action, and the action receives approval by a majority of the members casting votes provided the number of members casting votes constitutes a quorum, or (2) consent in writing, setting forth the action so taken, shall be signed either (a) by all the members entitled to vote with respect to the subject matter thereof or (b) by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting. In the event of voting by ballot, voting must remain open for not less than 5 days from the date the ballot is delivered; provided, however, in the case of a removal of one or more directors, the voting must remain open for not less than 20 days from the date the ballot is delivered. In either event, such informal action by members shall become effective only if, at least 5 days prior to the effective date of such informal action, a notice in writing of the proposed action is delivered to all of the members entitled to vote with respect to the subject matter thereof and if, after the effective date of such action, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those members entitled to vote who have not consented in writing or casted a ballot. If the action which is approved informally requires the filing of a certificate, the certificate shall state that an informal vote has been conducted in accordance with the provisions of the Act and that written notice has been delivered as provided in herein.

SECTION 6. FIXING OF RECORD DATE. For the purpose of determining the 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 no more than 60 days and, for a meeting of members, not less than 5 days, or in the case of a merger, consolidation, or dissolution or a sale, lease, or exchange of assets, not less than 20 days before the date of 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 delivered shall be the record date for such determination of members. When determination of members entitled to vote at any meeting of members has been made, such determination shall apply to any adjournment of the meeting.

SECTION 7. QUORUM. Twenty-five (25) voting members of the Corporation, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members; provided that, if less than twenty-five (25) voting members of the Corporation of the outstanding votes are represented at said meeting, a majority of the votes so represented may adjourn the meeting at any time without further notice. If a quorum is present, the affirmative vote of a majority of the votes represented at the meeting shall be the act of the members, unless the vote of a greater number or voting by classes is required by the Not for Profit Corporation Act, the articles of incorporation, or these bylaws. At any adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 8. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted on after 11 months from its date, unless the proxy provides for a longer period.

SECTION 9. VOTING. Each member in the Voting Membership Class shall be entitled to one vote in each matter submitted for a membership vote. Each member may vote either in person or by proxy as provided in Section 8 of this Article. Notwithstanding anything contrary provision of these bylaws, no Voting Member shall be entitled to vote on any matter submitted to a membership vote within thirty (30) days of the member's admission as a member of the Corporation, and no member who is delinquent on membership dues as of the record date of any matter submitted to a membership vote shall be entitled to vote on such matter.

SECTION 10. INSPECTORS. At any meeting of members, the chair of the meeting may, or upon the request of any member 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 on their determination of the validity and effect of proxies; 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 is 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. The report of the inspector or inspectors on the number of votes represented at the

meeting and the results of the voting shall be prima facie evidence thereof.

SECTION 11. VOTING BY BALLOT. Voting on any question or in any election may be by voice unless the chair of the meeting shall order, or any member shall demand, that voting be by ballot.

ARTICLE IV Board of Directors

SECTION 1. GENERAL POWERS. The affairs of the Corporation shall be managed by or under the direction of its Board of Directors.

SECTION 2. NUMBER, TENURE, AND QUALIFICATIONS. The number of directors shall be **nine (9)**. Each director shall hold office until the next regular annual meeting of the Board of Directors and until his or her successor shall have been elected and qualified. Directors shall be members of the Corporation. The number of directors may be decreased to not fewer than three or increased to any number from time to time by amendment of this section, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation. No decrease shall have the effect of shortening the term of an incumbent director. The election of directors may, but is not required to, occur at the annual meeting of members.

Notwithstanding the foregoing provisions, the Corporation anticipates it will have holdover directors that will cause the number of directors to exceed nine (9) directors until approximately June 2022. The Corporation desires to transition to a nine (9) person Board of Directors with staggered three (3) year terms. After the adoption of these bylaws the existing directors will be placed into four classes. Class I shall consist of Dan Holland, Lakshmi Balachandra, Christoph Winkler, and Jill Kickul. The Class I directors shall serve an approximate one (1) year term ending on or about June 2022. Class II shall consist of Mindy Walls, Susan Fiorito, and Susana Santos. The Class II directors shall serve an approximate two (2) year term ending on or about June 2023. Class III shall consist of three (3) directors who shall be elected by the membership in January 2021. The Class III directors shall serve a three (3) year term ending on or about June 2024. Class IV shall consist of all presently serving directors, who are not part of Class I, II, or III. The Class IV directors shall serve until the end of their current terms in January 2021 or their earlier resignation. As the respective terms of office expire for the Class I, II, and III directors, their successors shall be elected for a term of three years. Although there are four (4) directors in Class I, upon the end of the initial term of the Class I directors only three (3) directors shall be replaced.

Further notwithstanding, directors shall only be permitted to serve two (2) consecutive three (3) year terms. After serving two consecutive terms, a director will not be eligible to again serve as a director until two (2) years from the date of the end of their last term.

SECTION 3. REGULAR MEETINGS. The Board of Directors shall provide, by resolution, the time and place for the holding of regular meetings of the board without other notice than such resolution. Notwithstanding the foregoing, the Board of Directors shall hold three (3) regular meetings each year and shall designate one such regular meeting as the regular annual

meeting of the Board of Directors. Notice of each regular meeting shall be provided to the directors at least thirty (30) days prior to the date of the meeting.

SECTION 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairperson, President/Chief Executive Officer, or any three (3) directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.

SECTION 5. PLACE OF MEETINGS. Meetings do not need to be held at a geographic location if the meeting is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the directors have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments. All meetings of the directors of the Corporation shall provide an option to attend and participate by means of the Internet or other electronic communications technology in a fashion pursuant to which the directors have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

SECTION 5. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least seven (7) days previous thereto by written notice to each director at his or her address as shown by the records of the Corporation except that no special meeting of directors may remove a director unless written notice of the proposed removal is delivered to all directors at least 20 days prior to such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If electronically communicated, the notice of a meeting shall be deemed delivered when such notice is sent to the electronic address designed by the director for receipt of notices. All directors consent to receipt of notices at the email address associated with their application for membership and if a director desires to change such email address, director shall communicate such change to the President/Chief Executive Officer in writing. Notice of any special 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 when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice, or waiver of notice, of such meeting unless specifically required by law or by these bylaws.

SECTION 6. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the directors are present at said meeting a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these bylaws, or the articles of incorporation. No director may act by proxy on any matter.

SECTION 8. VACANCIES. Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the Board of Directors unless the articles of incorporation, a statute, or these bylaws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected or appointed, as the case may be, to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

SECTION 9. RESIGNATION AND REMOVAL OF DIRECTORS. A director may resign at any time upon written notice to the Board of Directors. A director may be removed with or without cause, as specified by statute.

SECTION 10. INFORMAL ACTION BY DIRECTORS. The authority of the Board of Directors may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all of the directors entitled to vote.

SECTION 11. COMPENSATION. The Board of Directors shall not receive compensation from the Corporation for their service as directors.

SECTION 12. PRESUMPTION OF ASSENT. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any Corporation matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE V Officers

SECTION 1. OFFICERS. The officers of the Corporation shall be a Chairperson of the Board, President/Chief Executive Officer, a Vice Chairperson, a Treasurer, a Secretary, and such other officers as may be elected or appointed by the Board of Directors. Officers whose authority and duties are not prescribed in these bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. If an officer is unable to fulfill the duties of his office, Executive Committee shall appoint one of the board members to the vacated office. In the event that the office of the President/Chief Executive Officer is vacant, then the Board of Directors shall appoint his or her replacement. At any time that the office of President/Chief Executive Officer is vacant, the Chairperson shall serve in such role. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, until his or her death, or until he or she shall resign or shall have been removed in the manner hereinafter provided. Election

of an officer shall not of itself create contract rights. To serve as an officer the individual must also be an elected or appointed director of the Corporation, except the President/Chief Executive Officer shall not be required to be a director.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 3. CHAIRPERSON. Each year the Board of Directors shall elect a director to serve as the Chairperson of the Board of Directors. The chairperson shall preside at all meetings of the members and of the Board of Directors. The Chair of the Board shall assume all duties normally associated with that office. The Chair of the Board shall conduct the meetings of the Corporation. The Chair of the Board shall have general oversight as to the management of the business of the Corporation. The day to day active management of the business of the Corporation shall generally be handled by the President/Chief Executive Officer. The Chairperson shall see that all orders and resolutions of the Board of Directors are carried into effect. The Chairperson shall have such other duties as may from time to time be prescribed by the Board of Directors.

SECTION 4. PRESIDENT/CHIEF EXECUTIVE OFFICER. The President/Chief Executive Officer shall be the principal executive officer of the Corporation in regard to the day to day business of the Corporation. Subject to the direction and control of the Board of Directors, he or she shall be in charge of the business and affairs of the Corporation; he or she shall see, in coordination with the Chairperson, that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors; and, in general, he or she shall discharge all duties incident to the office of President/Chief Executive Officer and such other duties as may be prescribed by the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these bylaws, he or she may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments that the Board of Directors has authorized to be executed, and he or she may accomplish such execution either under or without the seal of the Corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He or she may vote all securities that the Corporation is entitled to vote except as and to the extent that such authority shall be vested in a different officer or agent of the Corporation by the Board of Directors.

SECTION 5. VICE CHAIR. The vice chair shall assist the chair in the discharge of his or her duties as the chair may direct and shall perform such other duties as from time to time may be assigned to him or her by the chair or the Board of Directors. In the absence of the chair or in the event of his or her inability or refusal to act, the vice chair shall perform the duties of the chair and, when so acting, shall have all the powers of and be subject to all the restrictions on the chair. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board

of Directors or these bylaws, the vice chair may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments that the Board of Directors has authorized to be executed, and he or she may accomplish such execution either under or without the seal of the Corporation and either individually or with the secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the Corporation. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the Corporation; (b) have charge and custody of all funds and securities of the Corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the President/Chief Executive Officer, chair or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 7. SECRETARY. The secretary shall (a) record the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be a custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each member that shall be furnished to the secretary by such member; and (e) perform 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/Chief Executive Officer or by the Board of Directors.

SECTION 8. SALARIES. The salaries of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a director of the Corporation. Notwithstanding the foregoing, it is anticipated that all officers, except the full-time, salaried President/Chief Executive Officer, will serve without compensation.

ARTICLE VI

Committees, Commissions, and Advisory Boards

SECTION 1. COMMITTEES. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which will consist of two or more directors and such other persons as the Board of Directors designates, provided that a majority of each committee's members are directors. The committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board of Directors in the management of the Corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed on it, him, or her by law. The Chairperson and the President/Chief Executive Officer shall be ex officio members on all committees, commissions, or advisory bodies established pursuant to this Article.

SECTION 2. COMMISSIONS OR ADVISORY BODIES. Commissions or advisory

bodies not having and exercising the authority of the Board of Directors in the Corporation may be designated or created by the Board of Directors and shall consist of such persons as the Board of Directors designates. A commission or advisory body may or may not have directors as members, as the Board of Directors determines. The commission or advisory body may not act on behalf of the Corporation or bind it to any actions but may make recommendations to the Board of Directors or to the officers of the Corporation.

SECTION 3. TERM OF OFFICE. Each member of a committee, advisory board, or commission shall continue as such until the next annual meeting of the directors of the Corporation and until his or her successor is appointed, unless the committee, advisory board, or commission shall be sooner terminated, or unless such member be removed from such committee, advisory board, or commission by the Board of Directors, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIR. One member of each committee, advisory board, or commission shall be appointed chair.

SECTION 5. VACANCIES. Vacancies in the membership of any committee, advisory board, or commission may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, advisory board, or commission, a majority of the whole committee, advisory board, or commission shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee, advisory board, or commission.

SECTION 7. RULES. Each committee, advisory board, or commission may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

SECTION 8. INFORMAL ACTION. The authority of a committee may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all the members entitled to vote.

SECTION 9. STANDING COMMITTEES.

- A. Executive Committee. The Chairperson, Vice-Chair, and the Treasurer shall serve as members of the Executive Committee. The Secretary and President/Chief Executive Officer serve as ex officio on this committee. The Executive Committee will consult with the President/Chief Executive Officer as to the operation and program activities of USASBE in the exercise of responsibilities. The Chair of the Executive Committee shall be the Chairperson. The Chairperson shall provide one (1) days' notice of meetings of the Executive Committee, including agenda for said meeting. Meetings of the Committee may be held telephonically and/or electronically, with votes of the Committee, as may be required, accepted telephonically and/or electronically (i.e. email, Basecamp, etc.).

- B. Finance Committee. The Chair of the Finance Committee shall be the Treasurer. The Committee is charged with reviewing the budgetary recommendations submitted by the President/Chief Executive Officer and Treasurer. The President/Chief Executive Officer shall submit budgetary recommendations not later than three months prior to the end of the then current fiscal year. The Finance Committee shall submit to the Board of Directors a recommended budget for endorsement. The Board of Directors shall adopt the budget for the ensuing fiscal year no later than thirty (30) days after the commencement of the fiscal year. The Finance Committee also serves as a link between the auditor and the Board. It ensures that the auditor has full access to financial and related records, reviews the auditor's report and submits it to the Board. The President/Chief Executive Officer may vary from the approved budget with the approval of the Executive Committee.
- C. Governance Committee. The Governance Committee consists of a member of the Board of Directors who will act as chair, and another board member who will act as vice-chair and three members appointed by the Chairperson who meet the following criteria: were a member in good standing for 3 of the last 5 years and are not a current board member. The President/Chief Executive Officer serves ex officio on the Governance Committee. The Governance Committee maintains a focus on identifying new board member prospects and also handles matters related to board governance policies and board development (e.g., training, mentorship, board self-assessment).
- D. Default Notice and Voting Rules. Unless otherwise specified in these bylaws or in the resolution creating an additional committee, standing committees and other committees shall provide committee members with five (5) days' notice of meetings. Meetings of committees may be held telephonically and/or electronically, with votes of each committee, as may be required, accepted telephonically and/or electronically (i.e. email, Basecamp, etc.). A majority of the members of a committee shall constitute a quorum for the transaction of business at any committee meetings. The act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of committee. Proxies shall not be allowed for committee meetings.

ARTICLE VII

Contracts, Checks, Deposits, and Funds

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers or agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the President/Chief Executive Officer or a vice president of the Corporation.

SECTION 3. DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors 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 5. INVESTMENT POLICY. The President/Chief Executive Officer, in coordination with the Chair and Treasurer, shall develop for consideration by the Executive Committee and Board of Directors an investment policy for the management of Association operational and reserve assets. Said policy shall provide for a prudent investment strategy, safe management of assets; and adequate control and oversight of invested assets.

ARTICLE VIII Books and Records

The Corporation shall keep correct and complete books and records of account. It shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.

ARTICLE IX Fiscal Year

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors. Unless and until there is an additional resolution of the Board of Directors the fiscal year of the Corporation shall be fixed as July 1 to June 30. The Board of Directors acknowledge that this may result in a short fiscal year in the year of implementation of the new fiscal year.

ARTICLE X Dues

SECTION 1. ANNUAL DUES. The Board of Directors may determine from time to time the amount of initiation fee, if any, and annual dues payable to the Corporation by members of each class.

SECTION 2. PAYMENT OF DUES. Upon full payment of a member's annual dues, the member shall be a member of the Corporation for a period of twelve (12) months, subject to earlier termination as set forth in these bylaws.

SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP. When any member of any class fails to pay dues for the next successive year of membership, such member shall

immediately cease to be a member of the Corporation on the date their current membership expires without any further notice or action by the Corporation. The Corporation reserves the right to establish grace periods for payment, but is under no obligation to do so.

ARTICLE XI

Seal

The Corporation shall have no seal.

ARTICLE XII

Waiver of Notice

Whenever any notice is required to be given under the provisions of the Not for Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the bylaws of the Corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XIII

Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a member, director, or officer of the Corporation against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, suit, or proceeding to the fullest extent and in the manner set forth in and permitted by the Not for Profit Corporation Act of Illinois and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which such member, director, or officer may be entitled apart from the foregoing provisions. The foregoing provisions of this Article shall be deemed to be a contract between the Corporation and each member, director, and officer who serves in such capacity at any time while this Article and the relevant provisions of the Not for Profit Corporation Act of Illinois and other applicable law, if any, are in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing, or any action, suit, or proceeding theretofore or thereafter brought or threatened, based in whole or in part on any such state of facts.

The Corporation may indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines

and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, suit, or proceeding to the extent and in the manner set forth in and permitted by the Not for Profit Corporation Act of Illinois and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which any such person may be entitled apart from the foregoing provisions.

ARTICLE XIV Limitations of Corporate Authority

- A. The Corporation, being organized exclusively for religious, charitable, and educational purposes, may make distributions to organizations and individuals in furtherance of its corporate purposes and in accordance with §501(c)(3) of the Code.
- B. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article I above.
- C. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements concerning), any political campaign on behalf of any candidate for public office.
- D. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from federal income tax under §501(c)(3) of the Code or (2) by a corporation contributions to which are deductible under §170(c)(2) of the Code.
- E. 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, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under §501(c)(3) of the Code, 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, that are organized and operated exclusively for exempt purposes.

ARTICLE XV Conflict of Interest Policy

SECTION 1. CONFLICT OF INTEREST. No member of the Board of Directors or officer of the Association shall use his or her position as director or officer to directly or indirectly benefit

his or her personal business interests in any manner. The Board of Directors may remove any director or officer who violates this Article by a majority vote. This Conflict of Interest Policy may be supplemented in a operating manual or with a stand alone policy adopted by the Board of Directors.

SECTION 2. DISCLOSURE. When a member of the Board of Directors or an officer is affiliated with an organization seeking to provide services or facilities to the Corporation, or when a member of the Board of Directors or officer has any duality of interest or possible conflict of interest, real or apparent, such affiliation or conflict of interest should be disclosed to the Board of Directors and made a matter of record, either when the interest becomes a matter of Board action or as part of a periodic procedure to be established by the Board. An affiliation with an organization will be considered to exist when a Board member or officer or a member of his or her immediate family or close relative is an officer, director, trustee, partner, employee or agent of the organization, or has any other substantial interest or dealings with the organization.

SECTION 3. VOTING. Any member of the Board of Directors or officer having a duality of interest or possible conflict of interest on any matter should not vote or use his or her personal influence on the matter, and should not be counted in determining a quorum for the meeting at which the matter is voted upon, even though permitted by law. The Board of Directors should obtain and rely on appropriate comparability data, when appropriate. The minutes of the meeting should reflect that the disclosure was made, that the interested member of the Board of Directors abstained from voting, that his or her presence was not counted in determining a quorum, and that comparability data was considered.

SECTION 4. STATEMENT OF POSITION. The foregoing requirements should not be construed to prevent a member of the Board of Directors or officer from stating his or her position on the matter under consideration, nor from answering questions of other Board of Directors members relating to the matter.

ARTICLE XVI Amendments

The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the Board of Directors unless otherwise provided in the articles of incorporation or the bylaws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The bylaws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with law or the articles of incorporation.

ARTICLE XVII Severability clause

If any provision or part thereof of these bylaws is declared invalid and of no further force and effect, the other provisions shall remain in full force and effect.