

# **Bylaws of Pennsylvania Environmental Resource Consortium, A Nonprofit Organization**

## **I. Name and Date of Incorporation**

Section 1.01. Name and Date of Incorporation. The name of the Corporation is Pennsylvania Environmental Resource Consortium (the "Corporation"). The Corporation was incorporated under the Pennsylvania Nonprofit Corporation Law of 1988 on October 2, 2009, and now is governed by such law, as from time to time amended. The Corporation is a successor to an unincorporated member association of the same name denominated on October 5, 2007. Previous to that date, the organization was known as the Pennsylvania Consortium for Interdisciplinary Environmental Policy, an unincorporated member association formed on or about July 28, 2000.

## **II. Tax Exempt Status/Purposes**

Section 2.01. General Purposes. The Corporation's purposes are limited to those charitable functions that come within the meaning of Section 501(c)(3) of the Internal Revenue Code (the "Code"), and no substantial part of the Corporation's activities shall constitute the carrying on of propaganda or attempting to influence legislation. Subject to the limitations set forth in the preceding sentence, the Corporation shall have all of the powers created by law, including (but not limited to) the power to accept gifts, grants, devises, bequests of funds, or any other property from any public or governmental body, private foundation, public charity, corporation, or individual.

Section 2.02. Specific Purpose. The specific purpose of the Corporation is to educate citizens, environmental decision makers, and others, adopting an interdisciplinary approach to environmental issues, identifying collaborative opportunities in higher education, and facilitating research initiatives.

Section 2.03. No Private Inurement. No part of the income of the Corporation shall be paid, distributed, or otherwise inure to the benefit or use of its Governors or officers or other private persons, except that the Corporation shall be authorized to pay compensation in a reasonable amount to its Governors or officers for services rendered, and to make payments and distributions in furtherance of its general corporate purposes including contributions and donations for charitable purposes.

## **III. Offices and Accounting Year**

Section 3.01. Registered Office. The registered office of the Corporation shall be located in the Commonwealth of Pennsylvania. The specific location shall be 125 N 26th Street, Camp Hill, Pennsylvania 17011 until otherwise established by a vote of a majority of the Board of Governors in office, and a statement of such change is filed in the Department of State, or until changed by an appropriate amendment of the Articles of Incorporation.

Section 3.02. Other Offices. The Corporation may also have offices at such other places within or without the United States of America as the Board of Governors may from time to time appoint or the business of the Corporation requires.

Section 3.03. Accounting Year. The accounting year of the Corporation shall end on the 31<sup>st</sup> day of December in each year.

#### **IV. Board of Governors**

Section 4.01. Powers. The Board of Governors shall have full power to conduct, manage, and direct the business and affairs of the Corporation, and all powers of the Corporation are hereby granted to and vested in the Board of Governors. Specifically the Board of Governors has final authority on matters concerning setting consortium policy and objectives; appointing and reviewing the Executive Director's (if any) performance; determining Consortium programs; electing the Consortium Executive Committee; and developing rules on Consortium research proposals, if any.

Section 4.02. Qualification and Selection. Each Governor of the Corporation shall be a natural person of full age, but need not be a resident of Pennsylvania.

Section 4.03. Number and Term of Office. The Board of Governors shall consist of one representative from each member institution, or such larger number as may be determined from time to time by resolution of the Board of Governors. Each Governor shall hold office for two years or until his earlier death, resignation, or removal.

Section 4.04. Organization. The President of the Board, if one has been elected and is present, or if not, the Vice-President of the Board, if one has been elected and is present, or if not, a Governor designated by the Board, shall preside at each meeting of the Board of Governors. The Secretary shall take the minutes at all meetings of the Board of Governors. In the absence of the Secretary, the presiding officer shall designate any person to take the minutes of the meeting. The Executive Committee shall elect those who will serve as Officers of the Board of Governors. Each Officer will serve for one year from the date of election by the Executive Committee.

Section 4.05. Resignations. Any Governor of the Corporation may resign at any time by giving written notice to the President or the Secretary of the Corporation. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06. Vacancies. The Board of Governors may declare vacant the office of a Governor if he is declared of unsound mind by an order of court, or convicted of a felony, or for any other proper cause, or if within 30 days after notice of selection, he does not accept such office either in writing or by attending a meeting of the Board of Governors.

Any vacancy or vacancies in the Board of Governors because of death, resignation, removal in any manner, disqualification, an increase in the number of Governors, or any other cause may be filled by decision of a majority of the remaining members of the Board of Governors at any regular or special meeting, and each person so elected shall be a Governor to serve for the balance of the unexpired term.

Section 4.07. Place of Meeting. Meetings of the Board of Governors may be held at such place within Pennsylvania as the Board of Governors may from time to time appoint, or as may be designated in the notice of the meeting. The Board of Governors may also establish conditions for special meetings of the Board as prescribed below.

Section 4.08. Regular Meetings. Regular meetings of the Board of Governors shall be held at such time and place as shall be designated from time to time by resolution of the Board of Governors. If the date fixed for any such regular meeting be a legal holiday under the laws of the state where such meeting is to be held, then the same shall be held on the next succeeding business day, or at

such other time as may be determined by resolution of the Board of Governors. At such meetings, the Governors shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given unless otherwise required by law or these by-laws.

Section 4.09. Special Meetings. Special meetings of the Board of Governors shall be held whenever called by the Executive Committee of the Board of Governors. Notice of each such meeting shall be given to each Governor by telephone or in writing or by other electronic communications device at least three days (in the case of notice by telephone, telefax, or e-mail) or seven days (in the case of notice by ordinary mail) before the time for the special meeting. Every such notice shall state the time and place of the meeting and the communications method that will be used to conduct the special meeting.

Section 4.10. Manner of Acting and Adjournment. Every Governor shall be entitled to one vote. Except as otherwise specified in the articles or these by-laws or provided by state law, the acts of a majority of the Governors present at a meeting at which a quorum is present shall be the acts of the Board of Governors. In the absence of quorum, a majority of the Governors present and voting may adjourn the meeting from time to time until a quorum is present.

Section 4.11. Compensation of Governors. No Governor shall be paid a fee solely for attending Board of Governors, Executive Committee, or Program Committee meetings unless substantial travel expenses to attend such meeting(s) are incurred and such expenses are authorized by the Board of Governors.

Section 4.12. Quorum. A simple majority of the Governors in office shall be present at each meeting in order to constitute a quorum for the transaction of business.

Section 4.13. Decisions. Decisions of the Board are by simple majority of those present after having established a quorum at the beginning of any meeting. In the event of a tie vote, the President may cast the deciding vote. The Governors may, at the beginning of any meeting, or through a previously communicated agenda, accept proxy votes or absentee ballots. The guidelines for such approvals shall be determined previously or at such meeting.

## **V. Meetings, Notice, Waivers**

Section 5.01. Meeting. The Board of Governors shall meet at least annually.

Section 5.02. Notice. Whenever written notice is required to be given to any person under the provisions of the articles, these by-laws, or the Pennsylvania Nonprofit Corporation Law of 1988, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, or by telefax, or by e-mail to his address supplied by him to the Corporation for the purpose of notice. If the notice is sent by ordinary mail it shall be deemed given to the person entitled thereto when deposited in the United States mail, postage prepaid, for transmission to such person. A notice of meeting shall specify the place, day, and hour of the meeting and any other information required by law or these by-laws.

Section 5.02. Waivers of Notice. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

Section 5.03. Meetings by Telephone or other electronic communications method. One or more persons may participate in any regular or special meeting of the Board of Governors or of a

Committee of the Board of Governors by means of conference telephone or other electronic communications method approved by the Board, by means of which all persons participating in the meeting can hear each other or read the documents under consideration and a summary of comments from members of the Board of Governors on the issues under consideration. Participation in a meeting in this manner by a Governor will be considered to be attendance in person for all purposes under these by-laws.

## **VI. Officers**

Section 6.01. Number, Qualifications and Designation. The Officers of the Corporation shall be a President, one or more Vice-Presidents (the number thereof to be determined by the Board), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of Section 6.03 of this Article. Officers shall be Governors of the Corporation and members of the Executive Committee. The President and Secretary shall be natural persons of full age. The Treasurer may be a Corporation, but if a natural person, shall be of full age.

Section 6.02. Election and Term of Office. The Officers of the Corporation shall be elected annually by the Executive Committee, and each such Officer shall hold office until the next annual meeting of Governors.

Section 6.03. Subordinate Officers, Committees and Agents. The Executive Committee may from time to time elect such other officers and appoint such committees, employees or other agents as the business of the Corporation may require, including one or more assistant secretaries, and one or more assistant Treasurers, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these by-laws, or as the Board of Governors may from time to time determine.

Section 6.04. Resignations. Any officer or agent may resign at any time by giving written notice to the Board of Governors, or to the President or Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.05. Removal. Any Officer, Committee, employee or other agent of the Corporation may be removed, either for or without cause, by the Executive Committee or the Board of Governors if in the judgment of such authority the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

Section 6.06. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by the Executive Committee.

Section 6.07. General Powers. All officers of the Corporation, as between themselves and the Corporation, shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as may be determined by resolutions or orders of the Board of Governors, or, in the absence of controlling provisions in resolutions or orders of the Board of Governors, as may be provided in these by-laws.

Section 6.08. President. The President shall preside at all meetings of the Board of Governors and shall perform such other duties as may from time to time be requested of him by the Board of Governors. Subject to the control of the Board of Governors, the President shall have general supervision over the activities and operations of the Corporation. The President shall sign, execute, and acknowledge, in the name of the Corporation, deeds, mortgages, bonds, contracts, or other instruments, authorized by the Board of Governors, except in cases where the signing and

execution thereof shall be expressly delegated by the Board of Governors, or by these by-laws, to some other officer or agent of the Corporation, and in general shall perform all duties incident to the office of President, and such other duties as from time to time may be assigned to him by the Board of Governors.

Section 6.09. The Vice-President. The Vice-President(s) shall perform the duties of the President in the absence of the President and other such duties as may, from time to time, be assigned to them by the Board of Governors or by the President.

Section 6.10. The Secretary. The Secretary shall attend all meetings of the Board of Governors and shall record all the votes of the Governors and the minutes of the meetings of the Board of Governors in book(s) to be kept for that purpose; shall see that notices are given and records and reports properly kept and filed by the Corporation as required by law; and in general shall perform all duties incident to the office of Secretary, and such other duties as may from time to time be assigned to him by the Board of Governors or the President.

Section 6.11. The Treasurer. The Treasurer or an Assistant Treasurer shall have or provide for the custody of the funds or other property of the Corporation and shall keep a separate bank account of the same; shall collect and receive or provide for the collection and receipt of moneys earned by or in any manner due to or received by the Corporation; shall deposit all funds in his or her custody as Treasurer in such banks or other places of deposit as the Board of Governors may from time to time designate; shall render an account showing his or her transactions as Treasurer and the financial condition of the Corporation whenever so required by the Board of Governors; and in general, shall discharge such other duties as may from time to time be assigned to him or her by the Board of Governors or the President.

Section 6.12. Officers' Bonds. Any officer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties (if any) as the Board of Governors may require.

Section 6.13. Officer Compensation. If in the performance of duties as an officer, an officer incurs substantial expenses, the officer may seek reimbursement from the Corporation. The Board of Governors may approve such reimbursement.

## **VII. Committees, Programs, Executive Director**

Section 7.01. Committees. By resolution adopted by a majority of the whole Board of Governors, standing or temporary committees consisting of at least three Governors may be appointed by the Board of Governors. Each Committee of the Board shall serve at its pleasure.

Section 7.02 Executive Committee. An Executive Committee shall have and exercise such authority of the Board of Governors in the management of the business and affairs of the Corporation as the Board of Governors may specify from time to time, which may include any action which the Pennsylvania Nonprofit Corporation Law of 1988 provides shall or may be taken by the Board of Governors, except that the Executive Committee shall not have any power or authority to adopt, amend, or repeal the by-laws, or amend or repeal any resolution of the Board.

The Executive Committee shall contain up to fourteen members of the Board of Governors or his or her nominee, who shall be elected by the Board of Governors. Nomination for election to the Executive Committee may be made by any Governor orally or in writing at or before the meeting where such election is held. Any member of the Board of Governors may nominate an associate of his or her institution to represent the institution on the Executive Committee. The Board of

Governors shall seek to achieve diversity in race, gender, academic discipline, and institutional type on the membership of the Executive Committee. Additional to the fourteen, the Executive Committee may include representatives from the Department of Environmental Protection and the PA Department of Conservation and Natural Resources. The Executive Committee shall elect those who will serve it and the Board as Officers. Members of the Executive Committee shall serve for two years. Officers shall serve for one year; however, the Executive Committee may fill any unexpired term of an Officer with an Executive Committee member who may then seek election for a full year as an Officer. The Executive Committee may also fill any unexpired term of the Executive Committee with any member of the Board of Governors.

The Executive Committee shall set the agenda for and convene regular meetings of the Board of Governors; call special meetings of the Board of Governors, when necessary; represent the Consortium between meetings of the Board, as issues arise; make recommendations to the Board of Governors on Consortium Programs and priorities; make recommendations to the Board of Governors on bylaw amendments; and call meetings of the Executive Committee as needed.

The Executive Committee shall meet, at the minimum, four times per year.

Section 7.03. Maintenance of Fiduciary Duty. The establishment of any committee of the Board of Governors and the delegation thereto for power and authority shall not alone relieve any Governor of his fiduciary duty to the Corporation.

Section 7.04. Director. The Board of Governors may, from time to time, engage an Executive Director as an employee or an independent contractor of the Consortium. The duties of any Executive Director are as follows: to carry out the directives of the Board of Governors; to report to the Executive Committee and to the Board of Governors on the status of Consortium activities and programs, especially through any committees; to maintain the Consortium's website; to make recommendations to the Executive Committee and Board of Governors for new programs and activities, especially related to academic research to assist the Consortium to advance its mission; to act as a spokesperson for the Consortium consistent with the directives of the Board of Governors and the Executive Committee; to regularly (through a written monthly report) inform the Board of Governors and Executive Committee on research funding opportunities; to otherwise assist the work of Consortium programs; and to maintain lists of Consortium Member Institutions, Representatives (Governors), and Associates.

Section 7.05. Consortium Programs. The Board of Governors may identify Consortium Programs to address priority issues around which Member Institutions and Governors will work to achieve the mission and goals of the Consortium. Additionally, any Governor or Associate who desires to establish a Consortium Program may propose such to the Board of Governors. If the Board approves a Consortium Program, the Board, in consultation with the Executive Director, if any, will appoint a Program Committee (denominated with the specific work of the Committee, consisting of at least three Governors, to advance the work of the program. The Executive Director or the Executive Committee will call the first meeting of each Program Committee. Subsequent meetings of each Program Committee will be convened by its own members. Program Committees may meet telephonically. Program Committees shall meet at least quarterly. Program Committee meetings shall have a simple majority to conduct business. In general, each Program Committee will make recommendations to the annual meeting of Governors and the quarterly meetings of the Executive Committee about how to enhance interdisciplinary understanding of environmental sustainability issues including publishing what member institutions are doing in specific program areas, providing analysis of strategic research needs, and developing Consortium research proposals.

### **VIII. Limitation of Personal Liability of Governors; Indemnification of Governors, Officers, and Other Authorized Representatives**

Section 8.01. Limitation of Personal Liability of Governor. A Governor of the Corporation shall not be personally liable for monetary damages for any action taken, or any failure to take any action on behalf of the Corporation, unless (a) the Governor has breached or failed to perform the duties of Governor as defined in Section 8.02, below, and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The personal liability of a Governor shall also not be limited if the Governor has been convicted of a felony in relation to duties toward the Consortium or if the Governor has failed to pay Consortium obligations such as taxes due under local, state, or federal law.

Section 8.02. Standard of Care and Justifiable Reliance.

(a) A Governor of the Corporation shall stand in a fiduciary relationship to the Corporation, and shall perform duties as a Governor (including duties as a member of any Consortium Committee) in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence as a person of ordinary prudence would use under similar circumstances. In performing Consortium duties, a Governor shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(i) One or more officers or employees of the Corporation whom the Governor reasonably believes to be reliable and competent in the matters presented;

(ii) Counsel, public accountants, or other persons as to matters which the Governor reasonably believes to be within the professional or expert competence of such person;

(iii) A committee of the Board of Governors upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Governor reasonably believes to merit confidence.

A Governor shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause reliance to be unwarranted.

(b) In discharging the duties of their respective positions, the Board of Governors, Committees of the Board and individual Governors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, independent contractors, communities in which Corporation offices are located, and any other pertinent factors. The consideration of those factors shall not constitute a violation of Section 8.02(a).

(c) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Governor, or any failure to take any action, shall be presumed to be in the best interests of the Corporation.

Section 8.03. Indemnification in Third Party Proceedings. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a representative of the Corporation, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner reasonably believed to be, or not opposed to, the best interests of the Corporation.

Section 8.04. Mandatory Indemnification. Notwithstanding any contrary provision of the articles or these by-laws, to the extent that a current or former representative of the Corporation has been successful on the merits or otherwise in prosecuting or defense of any action, suit, or proceeding related to the representative's duties to the Corporation, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 8.05. Determination of Entitlement to Indemnification. Unless ordered by a court, any indemnification under preceding relevant sections shall be made by the Corporation only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he has met the applicable standard of conduct set forth herein above. Such determination shall be made (a) by the Board of Governors by a majority vote of a quorum consisting of Governors who were not parties to such action, suit or proceeding, or (b) by independent legal counsel in a written opinion.

Section 8.06. Advancing Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Governors in a specific case.

Section 7.08. Indemnification of Former Representatives. Each such indemnity may continue as to a person who has ceased to be a representative of the Corporation and may inure to the benefit of the heirs, executors, and administrators.

Section 8.07. Insurance. The Corporation shall have the power to purchase and maintain Officers' and Director's liability insurance on behalf of any person who is or was a Governor, officer, employee, or agent of the Corporation.

Section 8.08. Reliance on Provisions. Each person who shall act as an authorized representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided herein.

## **IX Membership**

Section 9.01. Membership Class. This Corporation shall have one class of Members who are designated as Members of Pennsylvania Environmental Resource Consortium.

Section 9.02. Qualifications of Membership. The qualifications and rights of the Members of this Corporation are as follows:

(1) Membership qualifications shall be regulated by the Board of Governors.

(2) There are two classes of membership They are:

**Full voting members.** Full voting members are limited to those colleges and universities who pay dues prescribed by the Board of Governors. Only full voting members are members of the Board of Governors and members of the Executive Committee.

**Affiliate members.** Affiliate members may participate in Consortium program under conditions prescribed by the Board of Governors. Affiliate members may not vote as a member of the Board of Governors or participate as members of the Executive Committee. The Board of Governors may require that Affiliate members pay fees to participate in Consortium programs.

The Board of Governors may prescribe conditions for becoming an Affiliate member including the conditions under which an Affiliate member or associate may participate in Consortium programs and committees

- (1) Membership is limited to accredited PA colleges, accredited PA universities, accredited PA community colleges, and PA environmental policy institutions that commit to cooperate with each other to improve understanding of environmental problems and solutions as specified in a Memorandum of Understanding (incorporated herein).
- (2) Members include both those members of the unincorporated membership association, Pennsylvania Environmental Resource Consortium, prior to its incorporation on October 2, 2009, and any institution whose request to become a member of the Corporation is approved by the Board of Governors.
- (3) After signing the Memorandum of Understanding and paying membership dues, an institution may become a member by a simple majority vote of the Board of Governors.
- (4) The Board of Governors may establish additional conditions for Consortium membership it deems appropriate including conditions to participate as an Affiliate member in Consortium programs and committees. .

Section 9.03. Members' Dues. The Board of Governors may establish annual dues for members.

Section 9.04. Consortium Associates. Any person associated with a member institution and identified in writing by that institution's designated member representative may become a Consortium Associate. Such Associate may attend any Consortium meeting or event but may not vote.

Section 9.05 Process of Designation of Representatives of Member Institutions. Each member institution shall designate its representative who will serve as a member of the Board of Governors. Each member institution shall designate its representative in writing, by signing the Memorandum of Understanding, signed by a person who has authority to act on behalf of the institution. Only one person may be designated as the representative of the member institution; however, each participating institution may also identify an alternate representative who may act in the stead of the designated representative if the representative is unavailable. Only such persons may act on behalf of the member institutions in official action of the Board of Governors.

## **X. Miscellaneous**

Section 10.01. Checks. All checks, notes, bills of exchange, credit card purchases or debit card expenditures or other orders in writing such as contracts, in an amount exceeding \$1000.00 shall be signed by two Officers; otherwise, the Treasurer may sign such documents on behalf of the Board of Governors.

Section 10.02. Annual Report of Governors. The Board of Governors shall direct the President and Treasurer to present at the annual meeting of the Board a report showing, in appropriate detail, the following:

- (1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
- (2) The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report;

(3) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation; and

(4) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

The annual report of the Board of Governors shall be filed with the minutes of the annual meeting of the board.

## **XI. Amendment**

Section 11.01. Amendment of By-Laws. These by-laws may be amended or repealed, or new by-laws may be adopted, by vote of a majority of the Board of Governors of the Corporation in office at any regular or special meeting of Governors. Any proposed amendment, repeal, or new by-laws (or a summary thereof) shall be set forth in any notice of such meeting, whether regular or special.

Section 11.02. Amendment of Articles of Incorporation. The Articles of Incorporation of the Corporation may be amended by a vote of a majority of the Board of Governors in office at any regular or special meeting of the Governors. Such proposed amendment shall be set forth in a notice of such meeting, whether regular or special.

## **XII Conflict of Interest Policy and Memorandum of Understanding**

Section 12.01. Conflict of Interest Policy. A separate Conflict of Interest Policy has been adopted by the Board of Directors, is attached, and is incorporated herein by reference.

Section 12.02. Memorandum of Understanding. A Memorandum of Understanding, sometimes mentioned herein and originally used to identify member institutions of the predecessor unincorporated member associations, has been minimally modified and adopted by the Board of Directors, is attached, and is incorporated herein by reference.

## **XIII. Dissolution**

Section 13.01. Upon dissolution of the Corporation, the assets of the Corporation shall not be distributed to its Governors or Officers or any private person(s). Upon such dissolution, the Board of Governors of the Corporation shall, after paying or making provision for the payment of all corporate liabilities, and for the disposition of any property committed to charitable purposes as required by court order, transfer and convey the remaining assets to such charitable organization(s) as the Board of Governors shall determine to be similar to the Corporation's character, purpose, and method of operation. Such transfer shall be made only to another IRS Section 501(c)(3) recognized organization.