

Islesboro Economic Sustainability Corporation – Annual Meeting & Board Meeting

Wednesday July 10th, 2024 – 3:30PM – Town Office Conference Room and via Zoom

Join Zoom Meeting

<https://us06web.zoom.us/j/88613994850?pwd=Y7BqQnNEk34KENpeZmnYREk3IR2Lnh.1>

Meeting ID: 886 1399 4850

Passcode: 375823

Dial by your location

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Agenda (All Materials Posted on www.sustain04848.com)

- All Online Participants Mute Their Lines
- Call to Order, Establish Quorum & Determine Everyone Can Hear and Be Heard.
- Opening Comments – Roger Heinen
- Annual Meeting
 - Elect Officers for FY2025 – Chair, Vice Chair, Secretary & Treasurer
 - Collect Signed Code of Conduct & Conflict of Interest Documents – *attached*
 - Review Bylaws for Any Actions or Modifications - *attached*
 - Adjourn
- Board Meeting
 - Approve Minutes May 15th, 2024 Board Meeting - *attached*
 - Recurring Reports & Topics - *attached*
 - Financial Reports
 - Review status of loan program and the status of assets at risk
- Business:
 - 111-113-115 Main Property Discussion –
 - House and Market Building Maintenance Work, Parking Lot, House, ...
 - Action: *Determine Who/What/When re Further Activity*
 - Brainstorm how to help island entrepreneurs with financial controls/software, health care,...
- Other Business?
- Wrap Up Comments
- Adjourn

Islesboro Economic Sustainability Corporation – Code of Conduct

This Code of Conduct is drafted to assist board members in fulfilling their duties to the corporation. The board is collectively responsible for promoting the success of the corporation and furthering its mission to be a catalyst for the *essential services and businesses* that will serve to improve the viability and sustainability of the Islesboro community for both full-time and seasonal residents. To that end, board members must adhere to certain standards including but not limited to:

Duty of Care

A board member must exercise reasonable care when he or she makes a decision as a steward of the Corporation. This duty is commonly expressed as care that an ordinarily prudent person would exercise in a like position and under similar circumstances.

Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain and must act in the best interests of the organization.

Freedom of Access Act and Document Retention

All documents and meetings are open to the public pursuant to 1 MRSA §408-A. All Board Members must complete a course of training on the requirements of FOAA after being appointed to the board and can meet the training requirement by conducting a thorough review of the material on the FAQ section of the State's Freedom of Access website at www.maine.gov/foaa/faq/index.shtml. The certificate of completion form is available here:

<https://www.maine.gov/foaa/Training/CertificationofCompletion.pdf>

All documents, emails, agendas, reports, website content, presentations, notes, articles and other written or visual content that pertain to the operation of the corporation – collectively *documents* are to be retained for operational, historical and legal reasons. Good practice is to at least retain the most current editable version as well as printable versions showing the document's historic evolution. The corporation maintains a safe-deposit box, digital *dataroom* via Google Drive and email archiving system to facilitate this policy. All emails regarding the Corporation must cc a *Dead-letter* email address so as to preserve emails sent to/from board members and staff.

Conflict of Interests

In accordance with Maine law, the corporation shall not enter into a conflict of interest transaction as defined in the Maine Nonprofit Corporation Act, 13-B M.R.S.A. § 718. Pursuant to this obligation the corporation has adopted a Conflict of Interest Policy which must be read and signed each year by all board members.

Whistleblower Policy

The Corporation is committed to lawful and ethical behavior in all of its activities and requires directors, volunteers, employees to act in accordance with all applicable laws, regulations and policies and to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities.

Each Board Member has an obligation to report what he or she believes is a material violation of law or policy or any questionable accounting or auditing matter by the Corporation, the Board, its officers, directors, employees, volunteers, agents or other representatives. The types of concerns that should be reported include, for purposes of illustration and without being limited to, the following:

- providing false or misleading information on the Corporation's financial documents, grant reports, tax returns or other public documents;
- providing false information to or withholding material information from the Corporation's auditors, accountants, lawyers, directors or other representatives responsible for ensuring compliance with fiscal and legal responsibilities;
- embezzlement, private benefit, or misappropriation of funds;
- material violation of Corporate policy, including among others, confidentiality, conflict of interest, whistleblower, ethics and document retention;
- discrimination based on race, gender, sexual orientation, ethnicity, and disability; or
- facilitation or concealing any of the above or similar actions.

Name of Board Member

Date: _____

Signature

Islesboro Economic Sustainability Corporation – Board Meeting Minutes

Wednesday May 15th, 2024 – 3:30PM – Town Office Conference Room and via Zoom

Agenda (All Materials Posted on www.sustain04848.com)

- All Online Participants Mute Their Lines
- Call to Order, Establish Quorum & Determine Everyone Can Hear and Be Heard.
 - *Members Present:*
 - *Board Room: Janet Anderson; Bonnie Hughes; Tom Tutor*
 - *Zoom: Lois Chiles; Roger Heinen; Glad Jones; Barry Wherren*
- Opening Comments – Roger Heinen
 - *Primary purpose of the meeting is to review the status of the Island market property projects while a secondary purpose is to catch up on our progress prior to the start of summer.*
- Board Meeting
 - Approve Minutes February 27th, 2024 Board Meeting – *attached*
 - *Roger asked for a motion to bring the meeting to order at 3:30. Moved by Tom; Seconded by Bonnie; Motion passed.*
 - Recurring Reports & Topics - *attached*
 - Financial Reports
 - *Tom raised a question about profit/loss, but then it came to light that an older set of balance sheets had been attached, and with the updated balance sheet Tom's questions were resolved.*
 - Discuss/Review status of loan program and the status of assets at risk
 - Review Short-term Line of Credit proposal – *attached*
 - Review/Discuss Any Actions re Delinquent Loan to Seth Wilbur
 - *Discussion ensued:*
 - *There are \$408,721.00 funds loaned out.*
 - *Babe Hatch recently increased his loan amount by \$41,500.00*
 - *Kim Grindle paid off her outstanding loan amount due to a strongly worded letter from ISEC's counsel.*
 - *Seth Wilbur communicated that he will be unable to meet his loan obligations at this time, although promised to pay double payments next year. Tom noted that his first payment was due in September of 2023, and to date we have received no payments. Seth borrowed the money to replace his boat engine, and he does work in a seasonal industry. It was agreed that Bonnie would create a payment schedule, and Tom would meet face-to-face with Seth. It was projected that he would pay \$100/month with a balloon payment in the fall.*
 - *Vote: A motion was offered and seconded that we accept the loan program and its associated risk of \$408,721.00. The motion passed.*
- Business
 - 111-113-115 Main Property Status & Discussion –
 - House and Market Building Maintenance Work
 - Parking Lot Upgrade and Arrangement with JPA
 - Action: *Determine Who/What/When re Further Activity*
 - Construction: *Barry reported that a contractor was secured for the bathroom and loading dock and was supposed to begin work on 4/29/24. Building materials were ordered from Viking. The*

contractor the morning of the work stated that he would not do the work. Barry completed the floor portion of the project with the materials on hand.

- Tom reported that having Dave as a tenant in the house is working well. It's a win-win.
- Parking: Tom said that JPA was the only respondent to do the work on the parking area. JPA did not provide a bid, only an estimate. It was projected that removable bollards would be \$7500; Materials and labor \$49,000; Paving (Performance Paving) \$13,000; for a total of around \$70,000.00. Although the consensus was that we should have actual bid numbers, the realization was that we aren't going to get any, and the committee instructed Tom to move ahead with the parking project with JPA.
- The question was raised if the parking area needed attention for the increased summer activity, and it was decided it is functional, but needs some "fluffing up". Bonnie asked if it would be cost effective to put the bollards in now to help protect the fuel pumps, gas tank, etc through the summer. Tom to check on cost/feasibility.
- Janet stated the town would like to have a crosswalk across the Post Office.

- Brainstorm how to help island entrepreneurs with financial controls/software, health care,...

- Other Business?

- Line of Credit Proposal: Establishing a Line Of Credit (LOC) for current loan recipients. Because of the seasonal work nature of many loan recipients, creating a LOC to help them through the slower income periods to bridge cash flow issues was proposed. It was decided the structure of the LOC would be as follows:
 - LOC's would be offered only to recipients that are currently in good standing.
 - The amount available would be up to 10% of their current loan value.
 - The LOC would be at a slightly higher interest rate (TBD).
 - LOC's would be for a 6 month period, but could be extended after review if needed.
 - Since the recipient is already approved for a loan, the process would be for them to sign a standardized letter indicating the loan amount and the payback period.
 - There would be no monthly payments, but the loan must be paid by the end of the term. There would be no prepayment penalties.
 - Roger to construct the standardized loan letter.
- Next Board Meeting: Roger to structure another board meeting before the annual meeting later in the summer.
- Board Member Recommendations for Select Board: We currently need another board member. It was suggested that they be a business person, and on island year round. Once we have candidates, the list will be submitted to the Select Board, as they must nominate and approve... our role is to recommend.

- Wrap Up Comments

- Adjourn

- Roger made a motion to adjourn which was duly seconded and approved by a show of hands.
- The meeting was adjourned at 4:19pm.

Islesboro Economic Sustainability Corporation
Balance Sheet
As of June 30, 2024

ASSETS

Current Assets

Bank Accounts

 Checking (5715) 104,021

 MoneyMarket (5798) 163,394

Total Bank Accounts 267,415

Other Current Assets

Charles Schwab 6827-0461

 Charles Schwab Cash 150,776

 Charles Schwab Securities at Face Value 375,000

 Prepaid Interest & Premium (5,054)

Total Charles Schwab 6827-0461 520,722

Interest Receivable (Schwab) 3,088

Prepayments and Deposits

Total Current Assets 791,225

Fixed Assets

Accumulated Depreciation (11,878)

House - 111 Main Road 189,431

Island Market Building 230,224

Island Market Construction in Progress 39,674

Island Market Equipment 104,241

Land - 111/113/115 Main Road 120,808

Total Fixed Assets 672,500

Notes Receivable 399,798

TOTAL ASSETS 1,863,523

LIABILITIES AND EQUITY

Liabilities 0

Equity

 Retained Earnings 1,817,276

 Net Income 46,247

Total Equity 1,863,523

TOTAL LIABILITIES AND EQUITY 1,863,523

Islesboro Economic Sustainability Corporation

Income by Category - Current Year to Date

July 2023 - June 2024

	HOUSE	ISLAND MARKET	LOANS	NOT SPECIFIED	TOTAL
Income					
Donations				5,000.00	\$5,000.00
Interest Earned			5,096.73	349.97	\$5,446.70
Investment Earnings				26,314.12	\$26,314.12
Rental Income	7,000.00	18,600.00			\$25,600.00
Uncategorized Income			421.39		\$421.39
Total Income	\$7,000.00	\$18,600.00	\$5,518.12	\$31,664.09	\$62,782.21
GROSS PROFIT	\$7,000.00	\$18,600.00	\$5,518.12	\$31,664.09	\$62,782.21
Expenses					
Advertising & Marketing				225.75	\$225.75
Bank Charges & Fees				60.00	\$60.00
Insurance	1,900.00	4,392.27		2,776.00	\$9,068.27
Legal & Professional Services		105.00	0.00		\$105.00
Office Supplies & Software				970.00	\$970.00
Other Business Expenses				132.01	\$132.01
Property Tax	3,218.60	1,707.20			\$4,925.80
Repairs & Maintenance	322.37	726.04			\$1,048.41
Total Expenses	\$5,440.97	\$6,930.51	\$0.00	\$4,163.76	\$16,535.24
NET OPERATING INCOME	\$1,559.03	\$11,669.49	\$5,518.12	\$27,500.33	\$46,246.97
NET INCOME	\$1,559.03	\$11,669.49	\$5,518.12	\$27,500.33	\$46,246.97

Islesboro Economic Sustainability Corporation
Outstanding Loan Balances
 July 2, 2024

	<u>Balance</u>	<u>Last Payment</u>	
Babe Hatch	41,613.62	6/30/24	
Bruce Babbidge	34,703.77	7/2/24	
Dustin Reidy	49,045.37	6/25/24	
Dylan Purington	12,153.88	6/10/24	paid through June
John Apelquist	124,390.98	6/5/24	paid through July
Josh Read	28,571.33	6/30/24	
Pete Anderson	24,182.66	6/21/24	
Seth Wilbur	25,000.00		delinquent
Silas Babbidge #1	6,417.43	6/28/24	
Silas Babbidge #2	33,343.00	6/28/24	
The Fen	18,140.78	5/20/24	paid through June
TOTAL	397,562.82		
Laura Read (pending)	3,320.00		
	400,882.82		

**Islesboro Economic Sustainability Corporation
Bylaws**

Adopted December 5th, 2019, Amended May 26th, 2020, Amended July 18th, 2022

ARTICLE I

Name, Seal, Purpose, and Location

1. Name. The name of the corporation shall be Islesboro Economic Sustainability Corporation (IESC).
2. Type of Organization. The Corporation is formed as a Maine nonprofit corporation pursuant to the Maine Nonprofit Corporations Act, 13-B M.R.S. §101 *et seq.* The Corporation exists as a quasi-municipal corporation as defined in 30-A M.R.S. § 2351. The Corporation is tax exempt as an affiliate of a governmental unit pursuant to Section 115 of the Internal Revenue Code of 1986, as amended.
3. Seal. The Corporation may have a seal of such design as the Board of Directors may adopt.
4. Mission and Purpose. The IESC mission is to be a catalyst for the *essential services and businesses* that will serve to improve the viability and sustainability of the Islesboro community for both full-time and seasonal residents. IESC activities will complement the Islesboro Comprehensive Plan by: promoting a sustainable year-round population; supporting local businesses and entrepreneurs; protecting the island environment. The IESC will:
 - A. Work with the Islesboro community to define such *essential services and businesses*.
 - B. Facilitate on-island job growth and population growth
 - C. Purchase, own, lease, or otherwise deal and trade in and with property, both real, and personal, of every kind and description, or any interest therein, land and buildings, structures, and other improvements thereon and therein, and to sell, convey, mortgage, lease, or otherwise dispense of the same, to do any and all lawful acts and things necessary pertaining, convenient, or incidental to the foregoing purposes, or any part thereof tending to increase the value, usefulness, comfort or convenience of the property, or any part thereof at any time held by such Corporation.
 - D. Underwrite loans or other financial instruments to small businesses or entrepreneurs in support of the mission
 - E. Enter into loans or other financial instruments for the benefit of the mission
 - F. Support the maintenance, expansion and upgrade of infrastructure and land for the benefit of the mission.
 - G. Receive and re-cycle funds from donations, grants, leases, interest payments and other sources.
 - H. Promote the economic sustainability of Islesboro in any forum and to any organization or individual.
 - I. Assist the Select Board in Tax Increment Financing (TIF) programs and coordinate town TIF efforts.

- J. Keep current on all federal, state and regional business and economic development programs.
 - K. Hire and fire professional assistance to support the mission
 - L. Exercise all the rights, powers, and privileges appertaining to corporations of a similar nature organized and existing under the laws of the state of Maine; provided, however, that,
 - i. Upon a vote of the directors to dissolve the Corporation or terminate its activities, the assets of the Corporation remaining after the payment of all its liabilities shall be distributed to the Town of Islesboro as determined by the Board of Directors upon dissolution.
 - ii. The Corporation shall be an equal opportunity and affirmative action employer, and it shall not discriminate on the basis of age, race, religion, color, gender, creed, sex, sexual preference, handicap, financial status or national origin:
 - 1. in the persons served or in the manner of service; or
 - 2. in the hiring, assignment, promotion, salary determination or other conditions of staff employment, or
 - 3. in the membership of the Board of Directors.
 - iii. The Corporation shall neither have nor exercise any power nor shall engage directly or indirectly in any activity that would invalidate its status (1) as a corporation which is exempt from federal income taxation as described in Section 115 of the Internal Revenue Code of 1986, as amended, or (2) as a corporation, contributions to which are deductible under Section 170(c) (1) and (2) of the Internal Revenue Code of 1986, as amended.
 - M. Distinct Mission. The Corporation shall at all times strive to maintain its economic development mission distinct from other Islesboro organizations and avoid duplicative, overlapping efforts wherever possible.
5. Location. Said Corporation shall be and is located and shall have its principal office in the Town of Islesboro, in the County of Waldo, State of Maine.

ARTICLE II

Board of Directors (Board)

- 1. The Islesboro Select Board (Select Board) shall:
 - a. Appoint a minimum of three (3) Directors and a maximum of nine (9) Directors to serve three-year terms.
 - b. Appoint any person, whether a resident or not, whom they believe has interest in the economic sustainability of Islesboro as well as the skills needed to aid the IESC mission; provided, however, that at all times at least a majority of Directors shall be residents or property owners of Islesboro.
 - c. Designate a Director to a specific organization or role. Such a designated Director is assumed to have resigned immediately when he or she becomes unassociated with that

host organization. The Town Manager of Islesboro as well as a member of the Select Board shall be so designated as Directors.

- d. Fill vacancies for the remainder of the unexpired terms.
- e. Remove a Director at any time for any reason.
- f. Appoint a Director mid-term in order to maintain staggered terms.
- g. Directors may resign at any time by giving written notice of such resignation to the Select Board.

2. Responsibilities. The Board of Directors

- a. Maintain a duty of loyalty and care to the organization, its assets and its mission.
- b. Undertake all organizational matters except those otherwise indicated in these Bylaws.
- c. Hire and fire personnel and professional assistance to support the mission.
- d. Enter into contracts, receive funds and disperse funds associated with its activities required to manage the affairs of the IESC not expressly prohibited by statute.
- e. Lobby on behalf of Islesboro at State, Federal and other venues that may help promote the mission.
- f. Maintain and operate the IESC activities within an approved operating budget.
- g. Establish appropriate operating policies, financial controls and set forth the strategic and long-range objectives of the IESC. Such policies will include the retention of books of account, work papers, meeting minutes and other such materials.
- h. Advise the Select Board on the necessary skills and composition of the Board. When requested, interview potential candidates and advise the Select Board. When requested, develop a slate of candidates for recommendation to the Select Board.
- i. Present periodic reports to the Select Board and Town. Reports will be submitted on a schedule as requested by the Select Board, but no less frequently than an Annual Report which shall include a profit and loss statement, balance sheet and auditor's report.

3. Meetings. The Board shall hold regularly scheduled meetings no less frequently than four times per year including an Annual Meeting held during the 1st quarter of the fiscal year. Special meetings may be called by the Select Board, any of the officers or by petition of any three Directors. All meetings must be preceded by a notice and proposed agenda with any action to be taken to be provided to all directors and the Select Board at least three business days prior. Meeting notices and agendas may be by fax, post, or E-mail. Minutes shall be taken at all meetings.

4. Quorum. A quorum to conduct business at a regular or special meeting shall require a majority of the Board. Directors may participate via appropriate teleconference, pursuant to which all participating Directors are able to hear and be heard by all other participating Directors. All decisions at a meeting of the Board shall be made by majority vote of those present. Unless otherwise stated in the bylaws, the organization shall be governed by the most recent edition of Robert's Rules of Order.

5. Open Meetings. All activities of the Corporation, including any activities of the Board, Executive Committee, special committees or task forces appointed hereunder, shall be

subject to the provisions of Maine’s Freedom of Access Act (FOAA), 1 M.R.S. §§ 401 *et seq.*, including, without limitation, that all public proceedings shall be open to the public and noticed as required under the FOAA, and that all documents of the Corporation that are deemed public records under the FOAA are subject to public inspection and copying.

6. Conflicts of Interest and Compensation.
 - a. Board members and officers shall serve without compensation but may be reimbursed for reasonable direct expenses incurred by the Board member.
 - b. No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation or any associated private individual (except that reasonable compensation may be paid for services rendered for the Corporation in carrying out one or more of its purposes), and no member, director or officer of the corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.
 - c. The Corporation shall not enter into a conflict of interest transaction, as such term is defined in the Maine Nonprofit Corporation Act, 13-B M.R.S.A. Sec. 718, except in accordance with the disclosure and approval provisions of such statute. No conflict of interest transaction shall be voidable or grounds for imposing liability on a director or officer of the Corporation if the transaction was fair at the time it was entered into or is approved in accordance with 13-B M.R.S.A. Sec. 718
 - d. Board members shall notify the Board and recuse themselves from discussions and decisions where there may be an explicit or implied conflict of interest.

ARTICLE III

Officers

1. Positions. Officers shall include a Chair, Vice Chair, Secretary and Treasurer. The Chair, Vice Chair, Secretary and Treasurer shall be elected at the Annual Meeting by the Board of Directors.
2. Chair. The Chair of the Board of Directors shall preside at all meetings of the Board and may call such meetings as deemed likely to increase the usefulness of the Corporation. The Chair shall supervise the affairs of the Corporation and act as the Affirmative Action Officer for the Corporation. The Chair shall also serve as the President of the Corporation.
3. Vice Chair. The Vice Chair of the Board of Directors shall act in the absence of the Chair.
4. Secretary. The Secretary shall perform such duties as may be delegated by the Board of Directors shall conduct the official correspondence; preserve all books, documents, and communications; keep and maintain accurate records of the proceedings of the Board; and perform all other duties incidental to that office, subject to the direction of the Board. At the expiration of the term of this office, the Secretary shall deliver to the Board all books, papers, records and property of the Corporation.

5. Treasurer. The Treasurer shall perform such duties as may be delegated by the Board of Directors or any Finance Committee appointed by the Board and shall perform all other duties incidental to that office, subject to the direction of the Board. At the expiration of the term of this office, the Treasurer shall deliver to the Board all books, papers, records and property of the Corporation.
6. General Powers and Duties. The officers of the Corporation shall also have such powers and shall perform such duties as may from time to time be specified in resolutions or other directives of the Board of Directors. In the absence of such each officer shall have the power and authority and shall perform and discharge the duties of officers of the same title serving in similar corporations having the same or similar general purposes and objectives as this Corporation.
7. Resignation, Removal and Vacancies. Any officer may resign at any time by giving written notice of such resignation to the Board of Directors. Any officer may be removed at any time by a majority vote of the Board. The Board can elect officers to fill the remainder of the vacant term.

ARTICLE IV Committees

1. The Executive Committee of the Board. The four (4) Corporation officers: Chair, Vice Chair, Secretary and Treasurer shall constitute the Executive Committee. The Executive Committee shall be responsible for the general day-to-day operation of the Corporation. A quorum to conduct business at an Executive Committee meeting shall require two committee members. The Executive Committee shall meet as required. All Executive Committee actions are reported to the Board of Directors at the next regular meeting.
2. Special Committees. The Board of Directors may appoint special committees and/or task forces to undertake specific projects. Members of special committees and task forces need not be Directors. All special committees shall include at least one member of the Board of Directors.
3. Authority. All committees and task forces shall make recommendations to the Board of Directors, which shall have sole authority to represent the positions and recommendations of the organization unless the Board of Directors delegates specific authority to one or two individual members, special committee or task force.

ARTICLE V Funds and Fiscal Year

1. Funds. In furtherance of the purposes of the Corporation, the Board shall have the power to purchase, hold, sell or lease real estate, construct buildings and mortgage same, incur debts,

borrow money, and enter into contracts of every kind and nature, and to perform such other acts and duties as may be legal and necessary in furtherance of the purposes of this Corporation.

2. Fiscal Year. The fiscal year of the Corporation shall follow the fiscal year of the Town of Islesboro and commence on July 1 of each year and end on June 30 of the following year.
3. Positive Net Equity. The Corporation shall at all times strive to maintain positive net equity meaning the fair market value of its assets exceeds its liabilities.
4. Property Taxes. The Corporation shall pay property tax or payment in lieu of tax to the Town of Islesboro on properties the Corporation owns that are used for commercial purposes by a non-exempt entity.
5. Contributions. The Corporation may accept donations and contributions, in cash or in kind, to further its purposes; provided, however, that no donation or contribution to the Corporation shall be accepted with the purpose or intent of benefitting a specific individual or business.

ARTICLE VI

Indemnification

To the extent permitted by the laws of the State of Maine as they may now or hereafter exist, the Corporation shall indemnify any officer or director of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that he or she is or was an officer or director of the Corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that no indemnification shall be provided with respect to any matter as to which he or she shall have been finally adjudicated in any civil proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation or in any criminal proceeding, to have had reasonable cause to believe that his or her conduct was unlawful.

ARTICLE VII

Amendments

These Bylaws may be amended by a two-thirds vote of the Board of Directors attending any Board meeting provided that proposed amendments, alterations, or repeals shall be plainly stated in the notice of the meeting at which they are to be considered.

ARTICLE VIII

Effective Date

These Bylaws shall take effect from the time of their adoption by the Board of Directors.