



SELCO LIBRARY FOUNDATION

BY-LAWS OF SELCO LIBRARY FOUNDATION

I. REGISTERED OFFICE

The registered office of this corporation, at which the general business of this corporation shall be transacted and where the records of this corporation shall be kept, shall be at such place in the State of Minnesota as shall be fixed from time to time by duly adopted resolutions of the Board of Directors. Until otherwise fixed by the Board of Directors, the registered office shall be located at 2600 19th Street NW, Rochester, MN 55901.

II. DIRECTORS

- A. Number and Method of Election. The Board of Directors of this corporation shall consist of no fewer than three persons, and, subject to such limitation, the number of members of the Board of Directors shall be such as may be designated from time to time by the Board of Directors. The initial Board of Directors shall consist of the persons designated in the Articles of Incorporation of this corporation who shall serve until the time indicated in the Articles of Incorporation. Thereafter, the Board of Directors shall be constituted as follows: three (3) directors shall be members of the Board of Directors of Southeastern Libraries Cooperating. These three (3) director positions shall be appointed by the Southeastern Libraries Cooperating Board. In addition, the governing body of any library entity for the benefit of which funds are managed by the SELCO Library Foundation may appoint up to two (2) directors to the Board of Directors.
- B. Terms. Except as otherwise provided in Article II.A, each director of this corporation shall be elected to serve for a term of three (3) years. A director shall hold office for the term for which he or she was elected and until the end of the meeting at which his or her successor has been elected and until such successor has qualified, or until the director's prior death, resignation or removal. Any director may at any time be removed with or without cause by the Board of Directors. Any vacancy occurring because of the death, resignation or removal of a director, or because of an increase in the number of members of the Board of Directors, shall be filled by the Board of Directors for the unexpired term of such director. Any vacancy occurring because of an increase in the number of members of the Board of Directors shall be filled by the members.
- C. Ex Officio and Honorary Directors. The Board of Directors may, from time to time, elect one or more ex officio or honorary directors of this corporation who shall be advisory members of the Board of Directors of this corporation. Any such election shall be for

such time to time deems appropriate. All ex officio and honorary directors shall be non-voting directors of this corporation.

III. MEETINGS OF THE BOARD OF DIRECTORS

- A. Annual Meeting. The annual meeting of the Board of Directors for the purpose of electing directors and officers and transacting such other business as may properly come before the meeting shall be held immediately following the annual meeting of the members of this corporation, within or without the State of Minnesota, designated from time to time by the Board of Directors.
- B. Other Meetings. Other meetings of the Board of Directors may be held at such time and place as are announced at a previous meeting of the Board of Directors. Meetings of the Board of Directors may also be called at any time (a) by the President, or (b) upon the written request of two or more members of the Board of Directors. Anyone entitled to call a meeting of the Board of Directors may make a written request to the Secretary to call the meeting, and the Secretary shall give notice of the meeting, setting forth the time, place and purpose thereof, to be held between five and thirty days after receiving the request. If the Secretary fails to give notice of the meeting within seven days from the day on which the request was made, the person or persons who requested the meeting may fix the time and place of the meeting and give notice in the manner hereinafter provided.
- C. Notice of Meetings. As used in these By-Laws, "notice" means a written notification of a meeting stating time, place, and in the case of a special meeting, purpose. Notice will be properly addressed according to the last available corporate records, sent or delivered via postal and/or electronic mail by a duly authorized person to each director entitled to vote at the meeting, and delivered or mailed not less than five (5) nor more than thirty (30) days before the meeting excluding the day of the meeting. A Director may make a written waiver of notice before, during, or after a meeting. The waiver shall be filed with the person acting as secretary of the meeting, who shall enter it upon the records of the meeting.
- D. Quorum and Voting. The presence of a majority of the members of the Board of Directors shall constitute a quorum at any meeting thereof, but the directors present at any meeting, although less than a quorum, may adjourn the meeting from time to time. At all meetings of the Board of Directors, each director shall be entitled to cast one vote on any question coming before the meeting. A majority vote of the directors present at any meeting, if there be a quorum, shall be sufficient to transact any business, unless a greater number of votes is required by law or these By-Laws. A director shall not appoint a proxy for himself or herself or vote by proxy at a meeting of the Board of Directors. A director who is present at a meeting of the Board of Directors when an action is taken is presumed to have assented to the action unless the director votes against the action or is prohibited from voting on the action.
- E. Adjourned Meetings. When a meeting of the Board of Directors is adjourned to another time or place, notice of the adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken.

- F. Meeting Action. Any action that could be taken at a meeting of the Board of Directors may be taken by written or electronic action by a majority of the directors.
- G. Director Conflicts of Interest. This corporation shall not enter into any contract or transaction with (a) one or more of its directors, (b) a director of a related organization (within the meaning of Minnesota Statutes, section 317A.011, subd. 18), or (c) an organization in or of which a director is a director, officer or legal representative or has a material financial interest; unless the material facts as to the contract or transaction and as to the director's interest are fully disclosed or known to the Board of Directors, and the Board of Directors authorizes, approves, or ratifies the contract or transaction in good faith by the affirmative vote of a majority of the directors (without counting the interested director), at a meeting at which there is a quorum without counting the interested director. Failure to comply with the provisions of this Article III.G shall not invalidate any contract or transaction to which this corporation is a party. This Section does not authorize any act of "self-dealing" as defined in Section 4941(a) of the Internal Revenue Code of 1986.

IV. OFFICERS

- A. Tenure of Office. The officers of this corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time designate. Officers shall be elected by the Board of Directors to serve for terms of one year and until their respective successors are chosen and have qualified. Any officer may at any time be removed by the Board of Directors with or without cause. The same person may hold more than one office at the same time, except the offices of (a) President and Vice President and (b) President and Secretary. The officers need not be directors of this corporation.
- B. President. The President shall be the chief executive officer of this corporation. He or she shall preside at all meetings of the Board of Directors. He or she shall be responsible for the general supervision, direction and management of the affairs of this corporation. He or she may execute on behalf of this corporation all contracts, deeds, conveyances and other instruments in writing which may be required or authorized by the Board of Directors for the property and necessary transaction of the business of this corporation.
- C. Vice President. The Vice President shall perform the duties of the President in case of the latter's absence or disability. The execution by the Vice President on behalf of this corporation of any instrument shall have the same force and effect as if it were executed on behalf of this corporation by the President.
- D. Secretary. The Secretary shall keep accurate minutes of all meetings and shall be custodian of the records, documents and papers of this corporation. He or she shall provide for the keeping of proper records of all transactions of this corporation. He or she shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of Secretary, or imposed by these By-Laws. He or she shall also perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

- E. Treasurer. The Treasurer shall be responsible for maintaining accurate financial records for this corporation and safeguarding the assets of this corporation. He or she shall present a report of this corporation's financial transactions and status to the Board of Directors at its annual meeting, and shall from time to time make such other reports to the Board of Directors as it may require. The Treasurer shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.
- F. Additional Powers. Any officer of this corporation, in addition to the powers conferred upon him or her by these By-Laws, shall have such powers and perform such additional duties as may be prescribed from time to time by the Board of Directors.

V. COMMITTEES

- A. Authority. The Board of Directors may act by and through such committees as may be specified in resolutions adopted by a majority of the members of the Board of Directors. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Directors. Each such committee shall at all times be subject to the control and direction of the Board of Directors. Committee members, other than members of the Executive Committee, need not be directors.
- B. Executive Committee. The Board of Directors may designate an Executive Committee composed of at least three directors designated by the Board of Directors. The Executive Committee shall have the authority of the Board of Directors in the management of the business of this corporation in the interval between meetings of the Board of Directors, and the Executive Committee shall at all times be subject to the control and direction of the Board of Directors.
- C. Meetings and Voting. Meetings of each committee may be held at such time and place as are announced at a previous meeting of the committee. Meetings of any committee may also be called at any time by the chairperson of the committee or by the President, on at least five days' notice by postal or electronic mail, or two days' oral notice by telephone or in person. Appearance at a meeting is deemed to be a waiver of notice unless the committee member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the committee member does not participate in the meeting. At all meetings of a committee of this corporation each member thereof shall be entitled to cast one vote on any question coming before such meeting. The presence of a majority of the membership of any committee of this corporation shall constitute a quorum at any meeting thereof, but the members of a committee present at any such meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of a committee of this corporation present at any meeting thereof, if there be a quorum, shall be sufficient for the transaction of the business of such committee. Any action that could be taken at a committee meeting may be taken by written action signed by all members of the committee.

VI. INDEMNIFICATION

To the full extent permitted by any applicable law, this corporation shall indemnify each person who, while acting in good faith and within the scope of their duties on behalf of the corporation, is made or threatened to be made a party to any threatened, pending or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this corporation, by reason of the former or present capacity of the person as --

1. A director, officer, or member of a committee of this corporation or,
2. A director, officer, partners, trustee, or agent of another organization or employee benefit plan, who while a director, officer of employee of this corporation, is or was serving the other corporation at the request of this corporation or whose duties as a director, officer or employee of this corporation involve or involved such service to the other corporation,

against judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan), settlements, and reasonable attorneys' fees and disbursements, incurred by the person in connection with the proceeding.

Indemnification provided by this section shall continue as to a person who has ceased to be a director, officer, or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this section. Any indemnification realized other than under this section shall apply as a credit against any indemnification provided by this section.

This corporation may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person who is or was a director, officer, or a member of a committee of this corporation against any liability asserted against such person and incurred by such person in any such capacity.

VII. MISCELLANEOUS

- A. Fiscal Year. Unless otherwise fixed by the Board of Directors, the fiscal year of this corporation shall begin on July 1 and end on the succeeding June 30.
- B. Corporate Seal. This corporation shall have no seal.
- C. Electronic Communications. The Board may agree to carry on a meeting via audio and/or video conferencing or electronic mail. A director or committee member may participate in a meeting by any means of communication through which such person, and other persons so participating, may simultaneously communicate with each other, whether it be via audio/video conferencing during a live meeting or via electronic mail. Participation in a meeting by that means constitutes presence in person at the meeting. An audio/video conference or electronic mail discussion among directors or committee members is a meeting of the Board of Directors or committee, as the case may be, if the same notice is

given of the audio/video conference or electronic mail meeting as would be required for a meeting, and if the number of persons participating in the audio/video conference or electronic mail meeting would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting. A permanent record of the audio/video conference or electronic mail meeting will be retained and filed with corporate records.

- D. Amendments. The Board of Directors may amend these By-Laws by adopting a resolution setting forth the amendment.
- E. Authority to Borrow, Encumber Assets. No director, officer, agent or employee of this corporation shall have any power or authority to borrow money on its behalf, to pledge its credit or to mortgage or pledge its real or personal property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board of Directors. Authority may be given by the Board of Directors for any of the above purposes and may be general or limited to specific instances.
- F. Deposit of Funds. All funds of this corporation shall be deposited from time to time to the credit of this corporation in such banks, trust companies or other depositories as the Board of Directors may approve or designate, and all such funds shall be withdrawn only in the manner or manners authorized by the Board of Directors from time to time.