

**HISTORIC ARLINGTON NEIGHBORHOOD ASSOCIATION
CORPORATE BYLAWS**

ARTICLE I. NAME

The name of the organization shall be Historic Arlington Neighborhood Association (HANA), which was incorporated in Illinois as a not-for-profit corporation on December 16, 1985.

ARTICLE II. MISSION

HANA is committed to building a vibrant community by preserving the historic character of the neighborhood, fostering community spirit, and increasing civic awareness for its residents.

HANA is a not-for-profit geographically based organization serving approximately 600 households governed by a volunteer board of community members.

HANA serves as an advocate for the best interest of the community by engaging in the following endeavors:

- Enhancing community welfare
- Promoting historic district character
- Disseminating pertinent civic information
- Serving as a sounding board for relevant concerns of members
- Organizing social activities
- Providing a neighborhood referral source
- Representing HANA at relevant village meetings

HANA's success is directly attributable to its residents' participation, support and involvement.

ARTICLE III. STATUS AND DESCRIPTION

- A. Corporate Status-HANA shall maintain annual registration with the State of Illinois as a not-for profit corporation under Section 501(a) and 501(c)(3) of the US Internal Revenue Code.
- B. HANA has no political or religious affiliation. HANA shall not endorse any candidate for political office.

ARTICLE IV. MEMBERSHIP AND DUES

Section 1. Qualifications. Membership in HANA is simply by virtue of address. There is nothing to sign up for. If the resident resides within HANA's boundaries and is 18 years

of age or older, then the resident is a member of HANA. The boundaries for HANA in Arlington Heights, IL, are attached as Exhibit A and can be amended by the Board of Directors.

Section 2. Dues. The amount of dues shall be determined by the Board of Directors. Since this is a voluntary organization, dues are optional. Fundraising may be authorized by the Board. Sponsorships to HANA may be considered and must be approved by the Board of Directors.

ARTICLE V. DIRECTORS

Section 1. Duties of Board Members: The Board shall have the following responsibilities and powers:

- A. Manage the daily affairs of the HANA Neighborhood Association.
- B. Make decisions and represent the interests of the Neighborhood Association on all matters for which it is impractical to present to the membership in advance. All such actions shall be reported to the membership at the next regular meeting.
- C. Appoint committees to perform necessary functions and represent the Neighborhood Association on specified topics.
- D. Establish a yearly work plan or priority issues and projects for maintaining and encouraging involvement in the Neighborhood Association.

Section 2. Qualification. Directors must be 18 years of age or older and reside within the HANA boundaries. Directors must be dues-paying members and attend 2/3 of the scheduled meetings per year to remain in good standing (unless special circumstances warrant an exception by the Board of Directors). New directors must attend two meetings before they are eligible to vote.

Section 3. Code of Conduct.

- A. All officers, directors, and committee members shall serve without any compensation, except for reimbursement for reasonable expenses incurred while conducting business for HANA, as approved by the Board of Directors within the approved budget.
- B. All officers, directors, and committee members shall convey and release information and material pertaining to HANA in an orderly and timely manner when requested by the Board of Directors or the general membership for the conduct of the business of HANA.
- C. No officer, director, or member of HANA shall use the name, office, or influence of HANA for personal gain.

Section 4. Presumption of Assent. A director of HANA who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

Section 5. Number. The number of HANA directors shall be unlimited.

Section 6. Election and Term. Directors shall be elected at the Annual Meeting. Directors may also be elected at any Board Meeting at the Board's discretion. All members present at the meeting are eligible to vote for each candidate for a director position. Each director shall hold office for a term of one year, or until the next Annual Meeting, unless the director resigns, is removed from office, or upon the director's death. A director may serve multiple terms of office.

Section 7. Removal and Resignation of Directors. At a meeting of directors, called expressly for that purpose, any director may be removed, with or without cause, by a majority of directors attending the special meeting. Any director may resign at any time by delivering notice to HANA. Said resignation is effective upon delivery unless the resignation note specifies a later effective date. Directors who do not attend 2/3 of the scheduled meetings in any year are considered to have resigned from the Board (unless special circumstances warrant an exception by the Board of Directors.)

Section 8. Quorum and Voting. A majority of the directors and officers shall constitute a quorum for the transaction of business. 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.

Section 9. Executive and Other Committees. A resolution adopted by a majority of the Board of Directors may designate from among its members an executive committee and/or committee(s), which may exercise all the authority of the Board of Directors to the extent provided in such resolution, except as is provided by law. Committees must have at least one Board member on them.

Section 10. Powers of the Board. The Board shall be responsible for all business coming before the Neighborhood Association and for assuring that members are informed of business that affects them through reasonable means of notification. The Board has the responsibility of acting in the best interest of the neighborhood but is not specifically bound to act according to the desire of the majority of members attending a particular meeting.

ARTICLE VI. OFFICERS

Section 1. Officers. The officers of HANA shall consist of a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be appointed by the directors following the Annual Meeting. A special election shall be held in the event an officer resigns or is removed from office. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors from time to time. Any two offices may be held by the same person.

Section 2. Duties. The officers of HANA shall have the following duties:

The President shall be the chief executive officer of HANA, who generally and actively manages the business and affairs of HANA subject to the directions of the Board of Directors.

The Vice President shall, in the event of the absence or inability of the President to exercise his/her office, become Acting President of the organization with all the rights, privileges and powers as if said person had been duly elected President. The Vice President shall arrange a meeting place for all meetings and send notices of meetings.

The Secretary shall have custody of and maintain all the corporate records except the financial records. Furthermore, said person shall record the minutes of all meetings, and perform such other duties as may be prescribed by the Board of Directors or the President. Furthermore, said officer shall be responsible for authenticating records of HANA.

The Treasurer shall receive, deposit, and disburse funds for HANA in a bank(s) or financial institution(s) in such manner as designated by the Board. The Treasurer shall also retain custody of all corporate funds and financial records, maintain full and accurate accounts of receipts and disbursements and render accounts thereof at the board meetings, and perform such other duties as may be prescribed by the Board of Directors or the President.

Section 3. Appointment and Term. Officers shall be appointed by the Board of Directors following the Annual Meeting. Any appointed officer must have previously served on the Board of Directors, unless special circumstances warrant an exception by the Board of Directors. Each appointed officer shall serve a two-year term unless he/she resigns or is removed from office. Officers' terms shall be staggered to provide continuity. If re-appointed, an officer may serve more than one two-year term.

Section 4. Removal and Resignation of Officers. An officer or agent may be removed by the Board of Directors whenever, in the Board's judgment, the best interest of HANA shall be served thereby. Any officer may resign at any time by delivering notice to HANA. Said resignation is effective upon delivery unless the resignation note specifies a later effective date.

Section 5. Vacancies. Any vacancy in any office may be filled by the Board of Directors for the remainder of the original term.

ARTICLE VII. FINANCE

Section 1. Fiscal Year. The fiscal year shall be from January 1 to December 31.

Section 2. Governance. The Board of Directors shall establish policies and procedures to govern the management of HANA's finances. The Treasurer shall maintain appropriate financial books and records, provide financial reports at Board Meetings, and submit required tax filings to appropriate government authorities.

Section 3. Budget. At the start of each fiscal year, the Treasurer shall prepare an itemized annual budget, including sources of income and recommended levels of financial

reserves, for approval by the Board. All expenditures outside of the itemized annual budget shall require the approval of the Board. The Board will conduct reviews of expenditures versus the budget at least annually.

Section 4. Signing Authority. The Board of Directors may delegate the authority to sign commitments and conduct banking transactions to such officers and directors as they determine.

Section 5. Reserves. Revenues in excess of expenses cannot be returned to members and will be held in financial reserves. The Board of Directors shall develop policies and shall retain or develop financial reserves it deems adequate to provide reasonable financial stability, continuity of operations and member services, and funding of long-range projects. The amount of these operating reserves shall be reviewed annually by the Treasurer and ratified by the Board.

Section 6. Audits. The Board will appoint a committee of at least two persons to audit the HANA accounts annually. The Board may also request interim audits at any time. The audit results shall be reported at the Board Meeting following the audit.

Section 7. Borrowing. In no case shall the Board of Directors authorize borrowing money upon credit without the sanction of a special resolution of the membership of HANA.

ARTICLE VIII. BOOKS AND RECORDS

HANA shall keep as permanent records minutes of all meetings of its members and Board of Directors. Furthermore, HANA shall maintain the following:

- A. A list of dues-paying members of HANA.
- B. HANA's Articles or Restated Articles of Incorporation and all amendments thereto currently in effect.
- C. HANA's Bylaws or restated Bylaws and all amendments thereto currently in effect.
- D. The minutes of all member meetings for the past 3 years.
- E. Written communication to all members as a whole within the past 3 years.
- F. A list of the names and addresses of HANA's current directors and officers.

ARTICLE IX. MEETINGS

Section 1. Annual Meeting. There shall be at least one general membership meeting every year. The date, time, and place of the Annual Meeting shall be determined by the Board of Directors.

Section 2. Board Meetings. Regular meetings of the Board of Directors shall be held at least nine months of the year, based on business needs and the availability of Directors.

The date, time, and place of all Board Meetings shall be determined by the Board. Members of HANA are eligible to attend all HANA Board Meetings.

Section 3. Special Meetings. Special meetings may be called at the discretion of the Board of Directors.

Section 4. Notice. Written notice stating the date, time, and place of the Annual Meeting and all Board Meetings shall be published in the HANA Newsletter and posted on the HANA website. Notice of special meetings shall be published in the HANA Newsletter and/or posted on the HANA website as appropriate.

Section 5. Quorum and Voting. The number of members present shall constitute a quorum at the Annual Meeting and at any open special meeting. Each member attending the meeting shall have one vote each to be cast on any issue put up for a vote during attendance at the Annual Meeting and any open special meeting. Unless otherwise specified in these bylaws, decisions shall be made by a majority vote of those members present at any meeting.

A majority of Board Members entitled to vote shall constitute a quorum at a Board Meeting. Unless otherwise specified in these bylaws, decisions of the Board shall be made by a majority vote of those Board members who are present and entitled to vote.

Section 6. Procedures. Robert's Rules of Order shall be followed in all areas not covered by the bylaws.

ARTICLE X. CONFLICT OF INTEREST PROCEDURES.

A transaction in which a director may have a direct or indirect conflict of interest may be approved by a vote of the Board if, in advance of the vote by the Board, all material facts of the transaction and the director's interest are disclosed to the Board. A conflict of interest transaction is considered ratified if it receives the affirmative vote of the majority of the directors who have no direct or indirect interest in the transaction. A transaction may not be authorized by a single director. If a majority of the directors who have no direct or indirect interest in the transaction votes to authorize, approve, or ratify a transaction, a quorum must be present for the purpose of taking action. The director with the direct or indirect conflict of interest must abstain from voting on the transaction.

ARTICLE XI. GRIEVANCE PROCEDURES

Section 1. Eligibility to Grieve. Any member may initiate a grievance procedure by submitting a grievance in writing to the Board. Grievances are limited to complaints that the grievant has been harmed by a violation of these bylaws. Grievances must be submitted within 45 days of the alleged violation.

Section 2. Processing the Grievance. The Board shall arrange a Grievance Committee, which shall review the grievance, and forward its recommendations to the Board.

Section 3. Final Resolution. Within 60 calendar days from receipt of the grievance, HANA's Board of Directors shall render a final decision on the grievance and notify the grievant of their decision.

ARTICLE XII. PROCEDURE FOR CONSIDERATION OF PROPOSALS

Section 1. Submission of Proposals. Any member may propose in writing items for consideration and/or recommendation to the Board. The Board shall decide whether proposed items shall appear on the agenda of the Board, standing or special committees, or general or special meetings.

Section 2. Notification. The proponent and members directly affected by such proposal shall be notified in writing of the place, day, and hour the proposal shall be reviewed not less than 24 hours in advance.

Section 3. Attendance. The proponent may attend this meeting to make a presentation and answer questions concerning the proposals.

Section 4. Dissemination. The Neighborhood Association shall record any recommendation and dissenting views in the meeting minutes.

ARTICLE XIII. NONDISCRIMINATION

HANA shall not discriminate against individuals or groups on the basis of race, religion, color, sex, sexual orientation, gender identity, age, disability, legal citizenship, national origin, income, or political affiliation in any of its policies, recommendations or actions.

ARTICLE XIV. ADOPTION AND AMENDMENT OF BYLAWS

These Bylaws may be adopted, amended, or repealed by a majority vote of the Board of Directors. Notice of adoption, amendment, or repeal of the bylaws shall be published in the HANA Newsletter and posted on the HANA web site.

ARTICLE XV. DISSOLUTION

HANA shall be considered dissolved if after a period of one year, there has been no organized activity and membership of less than three active members. Any person who shall be elected as an officer at the last general election shall be qualified to make such determination.

Any funds remaining in HANA after dissolution shall be donated to a local charity.

October 2009

EXHIBIT A: HANA BOUNDARIES

